

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division

UNITED STATES OF AMERICA,	}	
	}	
Plaintiff,	}	
	}	
vs.	}	Crim. No. 1:16cr169
	}	
RAUSHI J. CONRAD,	}	
	}	June 13, 2017
Defendant.	}	

JURY TRIAL

BEFORE: THE HONORABLE GERALD BRUCE LEE
UNITED STATES DISTRICT JUDGE

APPEARANCES:

FOR GOVERNMENT: UNITED STATES ATTORNEY'S OFFICE
BY: MATTHEW BURKE, AUSA
JAMAR WALKER, AUSA

FOR DEFENDANT: JONATHAN SIMMS, ESQ.

OFFICIAL COURT REPORTER:

RENECIA A. SMITH-WILSON, RMR, CRR
U.S. District Court
401 Courthouse Square, 5th Floor
Alexandria, VA 22314
(703)501-1580

INDEX

<u>WITNESS (Government)</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
Henry J. Hodor (Cont)	4	6	---	---
James C. Bedford	12	(Cross not commenced)		
Maria Couvillon	75	---	---	---
Sean Baer	80	90	---	---
Danielle Hodge	102	108	---	---
Kenneth Hodge	110	115	---	---
Bina Martin-Giles	117	122	---	---
Wray Jones	125	130	---	---
Ronald D. Rolfe	131	142	149	---
Gerard Horner	150	161	---	---
Kim Sins	169	180	---	---
Jian Mao	204	217	---	---
Delaney Harris	219	227	---	---
Quentin Powell	233	242	250	---
Charles A. Boyd	251	(Not completed)		

(Court recessed)

PROCEEDINGS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(Thereupon, the following was heard in open court at 10:04 a.m.):

(Jury not present.)

THE COURT: You can bring the jury out, Mr. Hendrick.

MR. HENDRICK: Yes, sir.

MR. BURKE: Your Honor, should we go ahead and bring the witness?

THE COURT: Yes, please.

You can come back, sir, and take the witness stand. Thank you.

(Witness resumed stand.)

(Jury present.)

THE COURT: You may be seated.

Good morning, ladies and gentlemen.

THE JURORS: Good morning.

THE COURT: Good morning, Mr. Conrad.

Good morning, Counsel.

MR. SIMMS: Good morning.

THE COURT: Ready to proceed?

MR. BURKE: Good morning.

MR. WALKER: Good morning.

THE COURT: All right.

1 Good morning, Mr. Hodor.

2 THE WITNESS: Good morning.

3 THEREUPON, HENRY J. HODOR, previously duly
4 sworn, testified further as follows:

5 DIRECT EXAMINATION (Continued)

6 BY MR. WALKER:

7 Q. Mr. Hodor, when we left off yesterday, we were
8 discussing how you would be able to tell the difference
9 between an invoice that was for data migration work and
10 an invoice that was for something else. And so I want
11 to start there.

12 MR. WALKER: Your Honor, may we have
13 permission to publish Government Exhibit 6-4 to the
14 jury?

15 THE COURT: Yes.

16 BY MR. WALKER:

17 Q. Mr. Hodor, if we look at Government Exhibit 6-4,
18 in the top right corner, what is the invoice number from
19 Bedford's Images to Tridea Works in the top right
20 corner?

21 A. 1684.

22 Q. And in the bottom right corner, what is the total
23 amount of that invoice?

24 A. \$424,024.86.

25 MR. WALKER: Your Honor, may we publish

1 Government Exhibit 33-4 to the jury?

2 THE COURT: Yes.

3 BY MR. WALKER:

4 Q. Now, looking at Government Exhibit 33-4, the
5 voucher edit report, the invoice number there -- it
6 should be in the top -- on the top row there. Do you
7 see it?

8 A. Yes.

9 Q. What is the invoice number there?

10 A. 1684.

11 Q. And on this invoice, the amount, which should be
12 listed in the bottom right corner?

13 A. It's \$424,024.86.

14 Q. And is that amount the same amount as the invoice
15 that we just looked at?

16 A. Yes, it is.

17 MR. WALKER: If we could pull back up
18 Government Exhibit 31-3.

19 BY MR. WALKER:

20 Q. And so, looking back at Government Exhibit 31-3,
21 in the top where you have the invoice listed under your
22 invoice number, which one of these invoices is for data
23 migration work?

24 A. It would be the top line.

25 Q. And what invoice number is that?

1 A. 1684.

2 Q. So, was \$424,024.86 the portion of this check
3 that was for data migration work?

4 A. Yes.

5 Q. Were there other checks that you issued that paid
6 multiple invoices as well?

7 A. Yes.

8 Q. Could you use this same process that we just
9 walked through to determine which portion of the payment
10 of those checks was for data migration work?

11 A. Yes.

12 Q. Mr. Hodor, over the course of the time that data
13 migration was performed, were you ever informed about
14 any complaints regarding the data migration work?

15 A. None.

16 Q. Since the data migration project, have you ever
17 worked with Bedford's Images again?

18 A. I have not.

19 MR. WALKER: Nothing further, Your Honor.

20 THE COURT: Mr. Simms.

21 MR. SIMMS: Thank you, Your Honor.

22 CROSS-EXAMINATION

23 BY MR. SIMMS:

24 Q. Good morning.

25 A. Good morning.

1 Q. Mr. Hodor, the government counsel just showed you
2 today and a little bit yesterday afternoon several
3 invoices that were presented to you by Bedford Images.
4 Do you recall that?

5 A. Yes.

6 Q. Okay. And once you received those invoices, you
7 sent them on to SPAWAR, correct?

8 A. Yes.

9 Q. Was there a specific individual that you would
10 send them to at SPAWAR?

11 A. No.

12 Q. Okay. Who was your contact in SPAWAR?

13 A. Kim Bryant.

14 Q. All right. Now, did you and Kim Bryant ever have
15 any discussions about the invoices from Bedford Images?

16 A. Not any specific discussions about any specific
17 invoice; just to make sure that the process was ongoing.

18 Q. Okay. So, the individuals that you spoke to at
19 SPAWAR -- I'll just go down the list -- Kim Bryant?

20 A. Correct.

21 Q. Angela Bridges ring a bell?

22 A. Yes.

23 Q. Tan Tran?

24 A. Yes.

25 Q. Okay. And within the Commerce Department, BIS,

1 your point of contact was Robert Moffett?

2 A. There was really no discussions between my
3 company and anyone at the Department of Commerce. It
4 was strictly between us and SPAWAR.

5 Q. Okay. So you never talked to Mr. Conrad?

6 A. Never.

7 Q. Okay. Never sent any invoices to Mr. Conrad?

8 A. Never.

9 Q. Did he ever attempt to reach out to you to
10 control aspects of the contract?

11 A. No.

12 Q. Now, as a prime contractor, did your company ever
13 do any clearance checks on Bedford Images?

14 A. When you say "clearance check," do you mean
15 security clearance or --

16 Q. Correct.

17 A. No.

18 Q. Did your company ever do any quality assurance
19 checks on Bedford Images?

20 A. No.

21 Q. Did you ever speak to James Bedford about the
22 work being performed?

23 A. No.

24 Q. Did you ever have a conversation about the
25 increase in files with Mr. Bryant?

1 A. No.

2 Q. Did you ever voice any concerns about the
3 invoices that Bedford Images submitted to you?

4 A. No.

5 Q. Mr. Hodor, I'm going to refer your attention to
6 Government Exhibit 6-9.

7 MR. SIMMS: Actually, it's already been
8 admitted. If we can publish it.

9 BY MR. SIMMS:

10 Q. It's on the screen, Mr. Hodor.
11 Do you recognize that invoice?

12 A. I do.

13 Q. I'm going to direct your attention to the column
14 entitled "Description" on the left-hand side. Do you
15 see it?

16 A. I do.

17 Q. Okay. It's up on the screen right there.

18 Now, in respect to this contract there's a
19 description here that says, "Authorize by SPAWAR project
20 manager Kim Bryant," correct?

21 A. Correct.

22 Q. What does that mean?

23 A. That the work itself had been authorized by
24 SPAWAR program manager Kim Bryant.

25 Q. Okay. And let's go to the total amount for that

1 invoice.

2 Is that accurate?

3 A. Yes.

4 Q. And what's the date on the invoice?

5 A. May 9th, 2011.

6 Q. Now, Mr. Hodor, do you recall if that work was
7 authorized before the -- that payment was authorized
8 before the work was done or after?

9 A. Authorization was an invoice-specific, to the
10 best of my knowledge.

11 Q. Okay. So this is an invoice that would have been
12 submitted to Kim Bryant?

13 A. Through us, correct.

14 Q. Okay. So, your -- Tridea, your company, would
15 have submitted it to Kim Bryant?

16 A. Correct.

17 Q. And Kim Bryant would have authorized the payment?

18 A. I can't confirm what -- who within SPAWAR
19 authorized the payment, but it was submitted to SPAWAR,
20 correct.

21 Q. Okay. What does the invoice say?

22 A. I'm sorry?

23 Q. Does the invoice say it was authorized by Kim
24 Bryant?

25 A. It does.

1 Q. Okay.

2 MR. SIMMS: Thank you.

3 I have no further questions, Your Honor.

4 MR. WALKER: No further questions, Your
5 Honor.

6 May the witness be excused?

7 THE COURT: May the witness be excused?

8 MR. SIMMS: Yes.

9 THE COURT: You're free to leave, sir --
10 free to stay or go, as you like.

11 Thank you.

12 (Thereupon, the witness withdrew from the
13 stand.)

14 MR. BURKE: Your Honor, the government calls
15 James Bedford.

16 MR. HENDRICK: Face the clerk. Please raise
17 your right hand.

18 (Witness sworn.)

19 THE WITNESS: Yes, ma'am.

20 THE CLERK: Thank you.

21 Have a seat, please.

22 You may proceed.

23

24 THEREUPON, JAMES C. BEDFORD, having been
25 duly sworn, testified as follows:

DIRECT EXAMINATION

1

2 BY MR. BURKE:

3 Q. Sir, could you please state and spell your name?

4 A. James C. Bedford, J-a-m-e-s, C, B-e-d-f-o-r-d.

5 Q. And, Mr. Bedford, if you could, if you could
6 speak directly into the microphone so that we can all
7 hear you.

8 A. Yes.

9 Q. Mr. Bedford, I'd like to direct your attention to
10 December 7th, 2016. Do you recall that day?

11 A. Yes, sir.

12 Q. Where were you on December 7th, 2016?

13 A. Here in this courtroom.

14 Q. What happened that day?

15 A. I pleaded guilty to charges.

16 Q. What charges did you plead guilty to?

17 A. Charges of conspiracy to bribe and bribery.

18 MR. SIMMS: Your Honor, I'm going to ask
19 that the witness scoot up to the microphone. I'm not
20 sure the jury can hear him.

21 BY MR. BURKE:

22 Q. I'm sorry. What charges did you plead guilty to?

23 A. Conspiracy and -- to bribe, and bribery.

24 Q. Conspiracy, conspiring with who?

25 A. Raushi Conrad.

1 Q. And bribing who?

2 A. Raushi Conrad.

3 Q. Do you see Mr. Conrad in the courtroom here
4 today?

5 A. Yes.

6 Q. Could you identify him by where he is sitting and
7 what he's wearing?

8 A. Yes. To my left, white shirt, black tie.

9 MR. BURKE: Your Honor, we ask that the
10 record reflect that the witness has identified the
11 defendant.

12 THE COURT: So noted.

13 BY MR. BURKE:

14 Q. Mr. Bedford, when you pled guilty, did you plead
15 guilty under the terms of a written plea agreement?

16 A. Yes, I did.

17 Q. With the assistance of the court security
18 officer, I would ask you to now please take a look at
19 Government Exhibit 501.

20 Do you have 501 in front of you?

21 A. Yes.

22 Q. What is Government Exhibit 501?

23 A. A plea agreement between the United States of
24 America versus James Bedford.

25 Q. Does your signature appear on the last page of

1 that document?

2 A. Yes, it does.

3 MR. BURKE: Your Honor, the government moves
4 to admit Government Exhibit 501.

5 THE COURT: Government 501 will be received.

6 BY MR. BURKE:

7 Q. Mr. Bedford, what do you understand to be your
8 obligation under the terms of your plea agreement with
9 the government?

10 A. To give truth- -- tell the truth about the
11 account that took place.

12 Q. And what do you understand would happen to you if
13 you did not tell the truth here today?

14 A. I would be charged for -- for not telling the
15 truth, and the plea agreement would be revoked.

16 Q. Mr. Bedford, are you hoping that in exchange for
17 your testimony here today you will receive a reduced
18 sentence?

19 A. Yes.

20 Q. Do I get to decide your sentence?

21 A. I'm sorry?

22 Q. Do I get to decide your sentence?

23 A. No.

24 Q. Does anyone from the government or the
25 prosecution team get to decide your sentence?

1 A. No.

2 Q. Who gets to decide your sentence?

3 A. The Honorable Judge Lee.

4 Q. Now, Mr. Bedford, I would like to direct your
5 attention now to 2009. In 2009, did you found a
6 business?

7 A. Yes.

8 Q. What was the name of your business?

9 A. Team America Contractors.

10 Q. Who else founded that business with you?

11 A. Glen Bertrand, senior.

12 Q. Who were the owner of Team America Contractors?

13 A. Myself and Glen Bertrand, Senior.

14 Q. What kind of company was Team America?

15 A. A construction and consultant company.

16 Q. Where were your offices?

17 A. Manassas, Virginia.

18 Q. Now, could you explain for the jury the roles
19 that you and Glen Bertrand, Senior, played in running
20 the business of Team America.

21 A. Yes. I -- I took care of the operations of
22 the -- office functions, and -- and Glen Bertrand,
23 Senior, took care of field designation work.

24 Q. So you say "field work" that Mr. Bertrand was in
25 charge of, describe what you mean by "field work."

1 A. Assigning jobs that were awarded and providing
2 oversight for field work to be conducted out in the
3 field, whether it was construction or consultant.

4 Q. What kinds of projects did Team America work on?

5 A. Gas and utilities, commercial build-outs.

6 Q. When you say "commercial build-outs," are you
7 referring to construction jobs?

8 A. Yes.

9 Q. Now, Mr. Bedford, are you familiar with the
10 defendant, Raushi Conrad?

11 A. Yes.

12 Q. How did you first come to meet the defendant?

13 A. Via my partner.

14 Q. Your partner, Glen Bertrand?

15 A. My partner -- via my partner, Glen Bertrand,
16 Senior.

17 Q. And what was the context in which you first met
18 the defendant?

19 A. We were building a restaurant for -- doing a
20 build-out for a restaurant for the defendant.

21 Q. What kind of restaurant was that?

22 A. Chicken Place Restaurant.

23 Q. And who was the owner of that restaurant?

24 A. Raushi Conrad.

25 Q. What year was this?

1 A. In late 2009, 2010.

2 Q. Now, where was the business that you were working
3 on for the defendant, the chicken business?

4 A. At the mall. At the mall.

5 Q. Which mall?

6 A. Fair Oaks Mall.

7 Q. In Fairfax County?

8 A. Yes.

9 Q. And what kind of work was Team America performing
10 on behalf of the defendant's chicken restaurant in the
11 Fair Oaks Mall?

12 A. Doing a -- a demolition and a commercial
13 build-out to -- and install the restaurant facility --
14 restaurant appliances and equipment.

15 Q. Now, Mr. Bedford, when you were doing this
16 construction work on behalf of the defendant's business
17 at the Fair Oaks Mall, did you come to learn that the
18 defendant also had another job?

19 A. Yes.

20 Q. Where did you come to learn -- what other job did
21 you learn the defendant had?

22 A. He worked for the Department of Commerce.

23 Q. And what kind of work did you understand the
24 defendant to be doing at the Department of Commerce?

25 MR. SIMMS: Objection, hearsay.

1 THE COURT: Sustained.

2 BY MR. BURKE:

3 Q. Did you speak to the defendant about his work at
4 the Department of Commerce?

5 A. Yes.

6 Q. And what did the defendant tell you about the
7 general type of work he did at the Department of
8 Commerce?

9 A. IT work.

10 Q. Now, sir, in -- in the defendant's role working
11 at the Department of Commerce, did he introduce you to
12 anyone?

13 A. Yes.

14 Q. Who did he introduce you to?

15 A. His coworkers, Mr. Rob Moffett and his other
16 boss, Ed -- I don't know his last name --

17 Q. A man by the name of Ed?

18 A. Eddie.

19 Q. Okay.

20 A. And Kim Bryant.

21 Q. And where did you understand Kim Bryant to work?

22 A. I'm sorry?

23 Q. Where did you understand Kim Bryant to work?

24 A. I learned that he worked for SPAWARS (sic).

25 Q. Now, sir, did the defendant invite Team America

1 to submit bids to perform construction work for the
2 Department of Commerce?

3 A. Yes.

4 Q. What kinds of construction work did Team
5 America -- what kinds of construction work was Team
6 America awarded by the Department of Commerce?

7 A. We were awarded work to support a contractor to
8 help complete SCIFs.

9 Q. And when you say "SCIFs," can you describe in lay
10 terms, what do you mean by a SCIF?

11 A. A SCIF is a room compartmentalized to review
12 classified documents, or have classified machines,
13 computers in, equipment.

14 Q. So it's a room that houses classified
15 information?

16 A. Yes.

17 Q. And Team America's role in that was to do the
18 building, the construction work?

19 A. To assist the current contractor with completion.

20 Q. What other types of construction work did Team
21 America do for the Department of Commerce?

22 A. We did some additional work with building out a
23 commercial facility in Manassas, and a couple of other
24 rooms that weren't SCIF-classified, but they, I think,
25 had some type of confidential -- confidential status of

1 them.

2 Q. And this was construction work involved --

3 A. This was construction work, cabling and
4 installation of monitors.

5 Q. Now, sir, I would like to direct your attention
6 now to the spring and early summer of 2010.

7 In the late spring and early summer of 2010, did
8 you come to learn of an opportunity to work on a data
9 migration contract?

10 A. Yes.

11 Q. Explain to the jury how you first learned about
12 this opportunity, this data migration opportunity.

13 A. I learned about the opportunity via Mr. Conrad
14 and his coworker talking about a need for the
15 requirement.

16 Q. And where were you when the defendant mentioned
17 this opportunity to you, first mentioned it to you?

18 A. I think when I recall first mentioned, I was -- I
19 think the first mention was either at the Commerce
20 Department or the Manassas location. I don't recall
21 which one was first; but had several conversations about
22 it.

23 Q. And at this first conversation, whether it was at
24 the Commerce's offices downtown or at the Manassas --

25 A. Manassas.

1 Q. -- facility, what did the defendant tell you
2 about this opportunity?

3 A. He described the need for the opportunity and
4 wanted to know if I had the credentials or capabilities
5 to perform that type of service.

6 Q. And what did you tell the defendant?

7 A. I did.

8 Q. Now, sir, within a few weeks of that initial
9 conversation with the defendant, did you see the
10 defendant again?

11 A. Yes.

12 Q. Where? Where did you see him?

13 A. At my location, office in Manassas.

14 Q. When you say your office location in Manassas,
15 the office location of what?

16 A. Of my company, Team America Contractors.

17 Q. When the defendant came to that meeting or came
18 to your offices, Team America's offices in Manassas on
19 that day, did he call ahead?

20 A. No.

21 Q. Did you know in advance that he would be coming?

22 A. No.

23 Q. Who else was present when the defendant arrived
24 at your offices in Manassas?

25 A. My partner and I.

1 Q. And when you say your partner, who are you
2 referring to?

3 A. Glen Bertrand, Senior.

4 Q. Did you have a conversation with the defendant?

5 A. Yes.

6 Q. Who was present for that conversation?

7 A. Myself, Glen Bertrand, Senior, and Raushi.

8 Q. When you say "Raushi" --

9 A. Raushi Conrad.

10 Q. Tell us how the conversation first began.

11 A. The conversation started out with Raushi
12 explaining the -- the good job that we had performed in
13 the construction support for Commerce, and that, you
14 know, we had did a really good job.

15 Q. What happened next?

16 A. And then the conversation went from there, with
17 Raushi asking us about a loan.

18 Q. Describe what he said about this -- what he
19 called a loan.

20 A. He inquired if we might be able to make a loan
21 for -- for him.

22 Q. To the defendant?

23 A. To him, yes.

24 Q. How much money did he describe -- did he describe
25 would be a part of what he labeled a loan?

1 A. I recall about \$180,000.

2 Q. And when the defendant asked for you to give him
3 what he described as loan, what was your response?

4 A. I looked at him and looked at my partner and just
5 told him that we didn't have that type of money to loan.

6 Q. And when you responded that you didn't have that
7 kind of money to give him in a loan, what -- what did he
8 say next?

9 A. I don't recall the -- all the intricacies, but it
10 was said that it could be investment loan/investment for
11 Chicken Place.

12 Q. A loan/investment in his chicken restaurant?

13 A. Yes.

14 Q. Sir, during the meeting with the defendant, what,
15 if any, discussion was there about a repayment schedule?

16 A. In the meeting -- none -- none.

17 Q. What, if any, discussion was there about an
18 interest rate to be charged on what the defendant called
19 a loan?

20 A. None.

21 Q. What, if any, discussion was there about
22 collateral that the defendant would post for what he
23 called a loan?

24 A. None.

25 Q. I'm sorry?

1 A. None.

2 Q. And what -- what, if any, discussion was there
3 about how -- how the profits would be calculated from
4 what the defendant described as a loan/investment?

5 A. We didn't discuss any.

6 Q. And what, if any, discussion was there about how
7 the profits would be shared from what the defendant
8 called a loan or an investment?

9 A. We didn't discuss any profits.

10 Q. What discussion was there, if any, about what the
11 ownership structure would be relating to this supposed
12 investment?

13 A. None at that time.

14 Q. Sir, was there a written promissory note prepared
15 for this, what the defendant called a loan?

16 A. No.

17 Q. Was there a written loan agreement ever prepared?

18 A. No.

19 Q. Was there a written lien agreement prepared?

20 A. No.

21 Q. Was there any documentation regarding a specific
22 repayment schedule?

23 MR. SIMMS: Objection, asked and answered.

24 THE COURT: Sustained.

25 MR. BURKE: Your Honor, I asked him about

1 discussions, but not about documentation.

2 THE COURT: I sustained the objection.

3 Next question.

4 BY MR. BURKE:

5 Q. Was there any documentation regarding any
6 interest rate?

7 MR. SIMMS: Objection, asked and answered.

8 MR. BURKE: Your Honor, I asked about
9 discussions, but not documentation.

10 THE COURT: Well, you asked him if there was
11 a loan document and he said there were none. That
12 includes all those things, doesn't it, Mr. Burke?

13 Objection sustained.

14 BY MR. BURKE:

15 Q. Sir, did you file articles of incorporation to
16 form a new company with the defendant?

17 A. No.

18 Q. Now, Mr. Bedford, a few weeks after this
19 conversation about what the defendant variously
20 described as a loan or an investment, what happened?

21 (Pause.)

22 What happened with respect to the data migration
23 work, if anything?

24 A. We received a -- a request for a proposal to bid
25 on the data migration work.

1 Q. Were you awarded that data migration work?

2 A. Yes.

3 MR. BURKE: Now, if we could publish
4 Exhibit 34, Government Exhibit 34, Your Honor. I
5 believe it's in evidence.

6 THE COURT: All right.

7 BY MR. BURKE:

8 Q. Mr. Bedford, do you have Government Exhibit 34 in
9 front of you?

10 A. Yes.

11 Q. What is Government Exhibit 34?

12 A. It's a subcontract agreement between Tridea
13 Works, LLC, and Bedford's Images, Incorporated.

14 Q. Is that the contract you were awarded to perform
15 the data migration work?

16 A. Yes.

17 Q. Who is this contract with? What entity?

18 A. Tridea Works.

19 Q. Now, who is Tridea Works?

20 A. It's a prime contractor for SPAWARS (sic).

21 Q. So, your contract was with Tridea Works, but
22 describe for the jury, who was the ultimate customer of
23 the work you were going to perform.

24 A. The end user customer was Department of Commerce.

25 Q. Mr. Bedford, after you were awarded this

1 contract, did you begin performing the work?

2 A. Yes.

3 Q. Did you bill for the work you did?

4 A. Yes.

5 Q. Who did you submit your bills to?

6 A. Tridea Works.

7 Q. Were you paid for those bills?

8 A. Yes.

9 Q. Now, Mr. Bedford, while you were performing the
10 data migration work, what, if any, documentation did you
11 receive from the defendant?

12 A. Documentation, I don't recall.

13 Q. Well, with the assistance of the court security
14 officer, I would ask you to please take a look at
15 Government Exhibits 1-1, 1-2, 1-3 and 1-4.

16 Sir, do you recognize Government Exhibit 1-1?

17 A. Yes.

18 Q. Do you recognize 1-2, 1-3 and 1-4?

19 A. Yes.

20 Q. What are Government Exhibits 1-1 through 1-4?

21 A. Invoices received to Team America from CPE.

22 Q. And who provided these invoices to your company?

23 A. Raushi Conrad.

24 MR. BURKE: Your Honor, the government moves
25 to admit 1-1, 1-2, 1-3 and 1-4.

1 THE COURT: Received.

2 MR. BURKE: Could we publish 1-1, please?

3 THE COURT: Yes.

4 BY MR. BURKE:

5 Q. Mr. Bedford, how did this document, Government
6 Exhibit 1-1, first come to your office -- or to your
7 attention?

8 A. It was received at my business, to the
9 bookkeeper, and processed to me for review of payment.

10 Q. When you say your business, are you referring
11 to --

12 A. Team America Contractors.

13 Q. And physically where was that?

14 A. Manassas, Virginia.

15 Q. And you mentioned a bookkeeper. Who were you
16 referring to?

17 A. An employee, Alice Bertrand.

18 Q. What was Alice Bertrand's role at Team America?

19 A. Her responsibility was to receive incoming
20 invoices or bills from vendors and bring them to me for
21 review, and my partner, to determine whether or not the
22 invoices were accurate and to be paid.

23 Q. Sir, did you know ahead of time that you would be
24 receiving this invoice?

25 A. No.

1 Q. When this invoice arrived at your offices in
2 Manassas, did you review it?

3 A. Yes.

4 Q. Now, if we could focus on the top center of the
5 invoice, there's some letters there that say "CPE."

6 MR. BURKE: Ms. Sandvig, could you blow that
7 up, please.

8 BY MR. BURKE:

9 Q. Do you see those letters in the top center of the
10 invoice that say "CPE"?

11 A. Yes.

12 Q. What does that mean?

13 A. It's Chicken Place Enterprise.

14 Q. And what was that?

15 What did you understand Chicken Place Enterprise
16 or Chicken Place Express to be?

17 A. Raushi's business.

18 Q. Now, sir, let's look in the middle of the invoice
19 where it has a description.

20 BY MR. BURKE: Ms. Sandvig, could you blow
21 that portion up, please.

22 BY MR. BURKE:

23 Q. What work is described in this invoice?

24 A. Support services.

25 Q. And what is the amount listed on the face of this

1 invoice?

2 A. 55,000.

3 Q. Mr. Bedford, did The Chicken Place Express
4 perform the \$55,000 worth of support services listed in
5 this invoice?

6 A. No.

7 Q. Did Raushi Conrad perform \$55,000 worth of
8 support services listed in this invoice?

9 A. No.

10 Q. Does this invoice reflect any real work that your
11 company received?

12 A. No.

13 Q. What's the date on the face of this invoice?

14 A. 12-10-2010.

15 Q. Is that approximately when you received the
16 invoice?

17 A. Approximately.

18 Q. Is that --

19 A. Yes.

20 Q. When you received this invoice in December of
21 2010, did you recognize at the time that it was a fake
22 invoice?

23 A. Yes.

24 Q. Now, on its face, the document says that it's an
25 invoice for \$55,000 of support services. What did you

1 understand that this invoice was?

2 MR. SIMMS: Objection, relevance.

3 MR. BURKE: Your Honor, it goes to the
4 existence of the agreement.

5 THE COURT: Overruled.

6 BY MR. BURKE:

7 Q. What did you understand that this fake invoice
8 was?

9 A. Payment for services for the -- get the work for
10 data migration.

11 Q. Describe what you mean when you say "payment for
12 services" and to "get the work for data migration."

13 A. Payment for service -- payment to receive data
14 migration support work.

15 Q. You would pay who?

16 A. The Chicken Place Enterprise, Raushi Conrad.

17 Q. And you would get what in exchange?

18 A. The data support work.

19 Q. Sir, after you received this invoice, did you
20 show it to anyone?

21 A. Yes.

22 Q. Who?

23 A. My partner, Glen Bertrand, Senior.

24 Q. Was Mr. Bertrand, Senior, aware that Chicken
25 Place Express had done no work for Team America?

1 A. Yes.

2 Q. And did -- what was his reaction when you showed
3 him this invoice?

4 A. He -- he just smirked and said --

5 MR. SIMMS: Objection, hearsay.

6 MR. BURKE: Your Honor, it's a coconspirator
7 statement.

8 MR. SIMMS: They have to establish that
9 foundation.

10 MR. BURKE: Your Honor, we would ask that it
11 be conditionally admitted.

12 THE COURT: All right. If you would lay
13 some foundation about Mr. Bertrand's role or knowledge,
14 that would be helpful. So I'll sustain the objection
15 for now.

16 BY MR. BURKE:

17 Q. Sir, what was Glen Bertrand's job duties at Team
18 America?

19 A. He was my partner in -- in running the business.
20 I -- I hold 51 percent shareowner and he had 49 percent.
21 And we ran -- ran the business together, making
22 decisions about purchases and different types of work
23 that we was soliciting for, and the management of our
24 income and our growing resources for the company.

25 Q. Was Mr. Bertrand involved in the day-to-day

1 operations of the company?

2 A. Yes.

3 Q. Was he familiar with the --

4 MR. SIMMS: Objection, leading.

5 BY MR. BURKE:

6 Q. What was his --

7 MR. BURKE: I'll rephrase, Your Honor.

8 BY MR. BURKE:

9 Q. What was his involvement in dealing with vendors
10 and subcontractors?

11 A. He had more hands-on dealings with the day-to-day
12 involvement of the vendors and work for services that
13 were performed, and also was my backup to approving
14 invoices for payment for services that may have been
15 rendered.

16 Q. And when you received invoices at Team America,
17 what was your routine practice?

18 A. To receive the invoices in, and I would set aside
19 invoices for he and I to go over to ensure proper
20 payment of services.

21 Q. So, after you received the invoice, the fake
22 invoice, marked as Government Exhibit 1-1, and you
23 showed it to your business partner, Mr. Bertrand, what
24 was his response?

25 MR. SIMMS: Objection.

1 MR. BURKE: Your Honor, it's --

2 THE COURT: Overruled.

3 BY MR. BURKE:

4 Q. What was his response?

5 A. He -- he said, "Pay it" -- "Pay it."

6 Q. Pay the invoice?

7 A. The invoice.

8 Q. Did you agree to pay the invoice?

9 A. Yes.

10 Q. Why did you agree to pay an invoice that you knew
11 was fake?

12 A. Because we wanted the support services to
13 continue that we were receiving.

14 Q. You wanted to continue to get the business?

15 A. Yes.

16 MR. BURKE: Ms. Sandvig, if we could blow up
17 the top left corner.

18 BY MR. BURKE:

19 Q. Mr. Bedford, looking to the top left corner of
20 this invoice, there's some handwritten notes. Do you
21 see that?

22 A. Yes, sir.

23 Q. And, particularly, there's an address listed in
24 handwriting. Do you see that?

25 A. Yes, sir.

1 Q. When you first received the fake invoice that's
2 marked Government Exhibit 1-1, was this address
3 information written on it?

4 A. No.

5 Q. Was there -- was there a mailing address listed
6 on the invoice when you first received it?

7 A. No, there wasn't.

8 Q. So, when you received it without an address,
9 what, if anything, did you do?

10 A. I initially kicked it back to Alice Bertrand with
11 a note to her, asking where was the information required
12 that we normally require from vendors, the address and
13 as well as the tax ID numbers.

14 Q. And who, if anyone, did you instruct Ms. Bertrand
15 to contact?

16 A. Mr. Conrad.

17 Q. After you instructed Ms. Bertrand to reach out to
18 the defendant, what, if any, information did you receive
19 back?

20 A. That it was not a valid address.

21 Q. Well, let's pause here for a minute.

22 Did you receive address information back?

23 A. Yes. I did -- did receive address information
24 back, and there was an instrument written and mailed to
25 that address.

1 Q. What -- what address information did you receive
2 back?

3 A. CPE, PO Box 2898, Centreville, Virginia 20120.

4 Q. And, sir, in December of 2010, what was the
5 routine practice at Team America for sending payment to
6 vendors?

7 What was the routine practice for actually
8 delivering payment to vendors?

9 A. Routine practice was that a vendor would submit
10 their invoice, be reviewed through company policy, and a
11 check would be cut and mailed to the -- to the
12 prospective company.

13 Q. Was a check mailed out to pay this fake invoice?

14 A. Yes.

15 Q. To what address was it mailed?

16 A. CPE, PO Box 2898, Centreville.

17 Q. And what happened next, after it was mailed to
18 that address?

19 A. The -- the check came back to us returned.

20 Q. What do you mean -- when you say the check came
21 back to you returned, what do you mean?

22 Returned how?

23 A. It came back returned as, through the mail, no
24 address.

25 MR. SIMMS: Objection, hearsay. And best

1 evidence rule.

2 THE COURT: All right.

3 MR. BURKE: Your Honor, he's testifying
4 about his personal knowledge of observing documents he
5 received. And there's no truth asserted in an address.
6 It's just, did he get it back or not? That's not an
7 assertion that's covered by the hearsay rule.

8 THE COURT: He can describe what the
9 envelope, if he received an envelope, said.

10 MR. BURKE: That's all I'm asking, Your
11 Honor.

12 THE COURT: Ask that question.

13 BY MR. BURKE:

14 Q. Sir, when you received the envelope back, what
15 did the envelope say on the face of it?

16 A. "Return to sender."

17 Q. When the check was returned to you, who, if
18 anyone, did you contact?

19 A. I had Alice Bertrand contact Mr. Conrad.

20 Q. Did you also speak directly with Mr. Conrad?

21 A. Yes.

22 Q. And what did you say to the defendant after you
23 received the envelope back as undelivered?

24 A. That the mailing address wasn't any good.

25 Q. What was the defendant's response when you told

1 him that the address was invalid?

2 A. He understood.

3 Q. After that conversation, how, if at all, was the
4 check provided to the defendant?

5 A. The defendant came by the -- Manassas and picked
6 it up.

7 Q. Picked up the check?

8 A. Picked up the check.

9 Q. Now, sir, if you could please turn now to
10 Government Exhibit 1-2.

11 MR. BURKE: And if we could publish 1-2,
12 Your Honor. It's been admitted.

13 THE COURT: You may publish it.

14 BY MR. BURKE:

15 Q. Sir, what is Government Exhibit 1-2?

16 A. Invoice for -- from CPE to Team America.

17 Q. How did you first receive Government Exhibit 1-2?

18 A. The same route, sir, via the bookkeeper, Alice
19 Bertrand.

20 MR. BURKE: Let's blow up the top center of
21 this document, if we could, Ms. Sandvig.

22 BY MR. BURKE:

23 Q. And, sir, looking to the top center of the
24 document marked 1-2, what letters do you see there?

25 A. CPE.

1 Q. What do you understand that to be?

2 A. The Chicken Place.

3 Q. What work is described --

4 MR. BURKE: If we could blow up the
5 description, please, Ms. Sandvig.

6 BY MR. BURKE:

7 Q. What work is described on the face of this
8 invoice?

9 A. "Support services."

10 Q. And what is the amount listed on the face of this
11 invoice?

12 A. \$35,000.

13 Q. Did The Chicken Place Express perform the \$35,000
14 listed on the face of this invoice?

15 A. No.

16 Q. Did Mr. Conrad perform the \$35,000 worth of
17 support services listed on this invoice?

18 A. No.

19 Q. Is any real work reflected in this invoice?

20 A. No.

21 Q. What's the date of the invoice?

22 A. 2-02-2011.

23 Q. Is that when you received it?

24 A. Approximate.

25 Q. Where did you receive it?

1 A. My office in Manassas, Virginia.

2 Q. Sir, when you received this -- this fake invoice
3 in February of 2011, did you recognize at the time that
4 it was fake?

5 A. Yes.

6 Q. Sir, although it says "support services" for
7 \$35,000, what did you understand this invoice to
8 actually be?

9 A. Payment for services, continue our support work
10 with the data migration work for Commerce.

11 Q. And when you say "payment," payment to who?

12 A. To Raushi Conrad.

13 Q. And what did you expect to get in exchange for
14 that payment?

15 A. Continued support services for --

16 Q. Under the data migration work?

17 A. Yes.

18 Q. Sir, after you received this invoice, did you
19 show it to anyone?

20 A. Yes.

21 Q. Who?

22 A. My partner, Glen Bertrand, Senior.

23 Q. And did he -- did he understand that this invoice
24 was fake?

25 A. Yes.

1 MR. SIMMS: Objection.

2 THE COURT: Sustained, about what he
3 understood.

4 BY MR. BURKE:

5 Q. Mr. Bedford, I'll rephrase.

6 In February of 2010, what was Mr. Bertrand's role
7 at the Team America?

8 A. To provide oversight for contractors providing
9 support work for Team America Contractors.

10 Q. Was he knowledgeable about the vendors that you
11 interacted with?

12 A. Yes.

13 Q. Was he in a position to know who had provided
14 services and who had not?

15 A. Yes.

16 Q. What was Mr. Bertrand's reaction when you showed
17 him this invoice?

18 A. He -- he said, "Approve it. Pay it."

19 Q. Did you also agree to pay it?

20 A. Yes.

21 Q. Why did you agree to pay this invoice even though
22 you knew it was fake?

23 A. To continue to support -- to get support services
24 work that we were receiving.

25 Q. Sir, if you could now turn to Government

1 Exhibit 1-3.

2 MR. BURKE: And, Your Honor, we would ask to
3 publish 1-3, which has already been admitted.

4 THE COURT: You may.

5 BY MR. BURKE:

6 Q. Sir, what is Government Exhibit 1-3?

7 A. Additional invoice from CPE to Team America
8 Contractors for engineer services in the amount of
9 \$15,000.

10 Q. Mr. Bedford, how did you first receive Government
11 Exhibit 1-3?

12 A. Through routine channels. The bookkeeper
13 processed the invoices and brought them to me for
14 review.

15 Q. And physically where were you at the time?

16 A. At my office in Manassas, Virginia.

17 Q. And what are the -- what letters do we see in the
18 top center of this invoice?

19 A. "CPE."

20 Q. Sir, what work is described on the face of this
21 invoice?

22 A. "Engineering services."

23 Q. And what is the amount listed on the face of the
24 invoice?

25 A. \$15,000.

1 Q. Did The Chicken Place Express perform the \$15,000
2 of engineering services described in this invoice?

3 A. No.

4 Q. Did Raushi Conrad perform the \$15,000 of
5 engineering services reflected in this invoice?

6 A. No.

7 Q. Does this invoice reflect any real work?

8 A. No.

9 Q. What's the date of the invoice?

10 A. The date is 6-17-2011.

11 Q. Approximately when did you receive the invoice?

12 A. I guess around that time. I have marked on there
13 6-20-2011.

14 Q. June of 2011?

15 A. Yes.

16 Q. Sir, when you received this invoice marked as
17 Government Exhibit 1-3 in June of 2011, did you
18 recognize at the time that it was fake?

19 A. Yes.

20 Q. Although it says "engineering services" on its
21 face, what did you understand this invoice actually to
22 be?

23 A. It's payment to continue to support work for the
24 data migration project.

25 Q. Meaning you would pay who?

1 A. I'm sorry?

2 Q. Meaning that you would pay who?

3 A. Raushi Conrad.

4 Q. And what -- what did you expect in return?

5 A. Continue to get the support services work for
6 data migration.

7 Q. After you received this fake invoice, did you
8 show it to anyone?

9 A. Yes.

10 Q. Who?

11 A. My partner, Glen Bertrand, Senior.

12 Q. And what was Mr. Bertrand's reaction when you
13 showed this to him?

14 A. He gave authorization to pay the invoice.

15 Q. Did you also agree to pay?

16 A. Yes, sir.

17 Q. Why did you agree to pay an invoice that you knew
18 was fake?

19 A. To continue to get support service work for the
20 data migration project.

21 Q. If you could turn now to Government Exhibit 1-4.

22 MR. BURKE: And Your Honor, this has been
23 admitted. We ask to publish it.

24 THE COURT: You may publish it.

25 BY MR. BURKE:

1 Q. Sir, what is Government Exhibit 1-4?

2 A. An invoice from CPE to Team America Contractors
3 for engineering services.

4 Q. How did you receive this invoice?

5 A. From my bookkeeper, Alice Bertrand.

6 Q. And physically where were you when you received
7 it?

8 A. Manassas, Virginia, in my office.

9 Q. What -- what three letters do we see at the top
10 center of this invoice?

11 A. "CPE."

12 Q. What work is described in the face of this
13 invoice?

14 A. "Engineering services."

15 Q. And what's the price quoted?

16 A. \$15,000.

17 Q. Did The Chicken Place Express perform any of this
18 engineering services work?

19 A. No.

20 Q. Did Raushi Conrad perform the engineering
21 services described in this invoice?

22 A. No.

23 Q. Does this invoice reflect any real work?

24 A. No.

25 Q. What's the date of the invoice?

1 A. 8-11-2011.

2 Q. When did you receive it?

3 A. 8-15-2011.

4 Q. And where were you?

5 A. In my office at Manassas, Virginia.

6 Q. When you received this invoice in August, 2011,
7 did you recognize at the time that it was fake?

8 A. Yes.

9 Q. Now, on its face, the invoice says "engineering
10 services." When you received it, what did you
11 understand the invoice to actually be?

12 A. Payment for support services for the data
13 migration work.

14 Q. Meaning you would pay who?

15 A. Mr. Conrad.

16 Q. And in exchange for what?

17 A. Continued services for data migration.

18 Q. After you received the fake invoice marked as
19 1-4, did you show it to anyone?

20 A. Yes, sir.

21 Q. Who?

22 A. My business partner, Glen Bertrand, Senior.

23 Q. And what was Mr. Bertrand, Senior's response when
24 you showed him this fake invoice?

25 A. He gave approval to pay the invoice.

1 Q. Did you also agree?

2 A. Yes, I did.

3 Q. Why did you agree to pay the fake invoice marked
4 as Government Exhibit 1-4?

5 A. Because we wanted to keep the support work
6 continue.

7 Q. Now, Mr. Bedford, with the assistance of the
8 court security officer, I would ask you now to please
9 take a look at Government Exhibits 21 and 21-1 through
10 21-7.

11 Sir, do you have Government Exhibit 21 in front
12 of you?

13 A. Yes, sir.

14 Q. What is Government Exhibit 21?

15 A. Government Exhibit 21 is a bank -- bank
16 authorization signature card.

17 Q. For what bank account?

18 A. For PNC Bank.

19 Q. PNC Bank for what entity?

20 A. For PNC Bank for Team America Contractors,
21 Incorporated.

22 Q. And could you describe what are 21-1 through
23 21-7.

24 A. They are bank records and checks for instruments
25 written from Team America Contractors.

1 Q. And, sir, was this a bank account that your
2 company used in 2010 and 2011?

3 A. Yes, it is.

4 Q. Were payments made out of this bank account to
5 the defendant?

6 A. Yes.

7 MR. BURKE: Your Honor, we move to admit
8 Government Exhibit 21 and 21-1 through 21-7.

9 I will note, Your Honor, they're also
10 subject to a stipulation between the parties that they
11 are authentic business records.

12 THE COURT: 21-1 and 21-7?

13 MR. BURKE: It's 21 and then 21-1, 21-2,
14 21-3, 21-4, 21-5, 21-6 and 21-7.

15 THE COURT: Exhibits 21, 21-1, 21-2, 21-3,
16 21-4, 21-5, 21-6 and 21-7 will be received.

17 BY MR. BURKE:

18 Q. Now, sir, if you could turn now to Government
19 Exhibit 27 and 27-1 through 27-4.

20 Sir, do you have those exhibits in front of you?

21 A. Yes.

22 Q. What is Government Exhibit 27?

23 A. 27-1?

24 Q. Just bulk 27.

25 A. 27 is another bank signature card for Team

1 America Contractors.

2 Q. Does that exhibit also include bank statements?

3 A. Yes.

4 Q. And it's a -- you said it was for Team America
5 Contractors?

6 A. Yes.

7 Q. Did your company use this -- that bank account
8 reflected in Exhibit 27 in 2010 and 2011?

9 A. Yes.

10 Q. And are 27-1 through 27-4 individual checks drawn
11 on that account?

12 A. Yes.

13 Q. Were payments made to the defendant out of those
14 exhibits?

15 A. Yes.

16 MR. BURKE: Your Honor, the government moves
17 to admit 27 and 27-1 through 27-4.

18 There is also a stipulation that these
19 exhibits are authentic business records.

20 THE COURT: Received.

21 MR. BURKE: Your Honor, may we publish 21-1,
22 please?

23 THE COURT: Yes.

24 MR. BURKE: Ms. Sandvig, if we could just --
25 thank you.

1 BY MR. BURKE:

2 Q. Sir, what is 21-1?

3 A. It's a check made payable to CPE from Team
4 America Contractors for \$18,000.

5 Q. Now, who signed the check?

6 A. Alice Bertrand.

7 Q. And what was her role at the time?

8 A. The bookkeeper.

9 Q. She was the bookkeeper?

10 A. Yes.

11 Q. Who authorized Alice Bertrand to issue this check
12 to CPE for \$18,000?

13 A. Myself and Glen Bertrand, Senior.

14 Q. What work, if any, did the defendant do to earn
15 this \$18,000?

16 A. None.

17 Q. What work, if any, did his company, The Chicken
18 Place Express, do to earn this \$18,000?

19 A. None.

20 Q. So, why did you approve this payment of \$18,000?

21 A. As stated previously, to continue data migration
22 support work.

23 MR. BURKE: Your Honor, may we publish 21-2?

24 THE COURT: Yes.

25 MR. BURKE: Ms. Sandvig -- thank you.

1 BY MR. BURKE:

2 Q. Sir, what is Government Exhibit 21-2?

3 A. A check made payable to CPE from Team America
4 Contractors in the amount of \$55,000.

5 Q. And whose signature appears on this check?

6 A. Alice Bertrand.

7 Q. Who approved the payment of this \$55,000 to the
8 defendant's company?

9 A. Myself and Glen Bertrand, Senior.

10 Q. Now, if I could direct your attention to the
11 address that appears above the memo line. What address
12 is listed there?

13 A. It's CPE, PO Box 2898, Centreville, Virginia
14 20120.

15 Q. Is that a real address?

16 A. No.

17 Q. What does the memo line say on Government
18 Exhibit 21-2?

19 A. "Support services, Number 127."

20 Q. Did The Chicken Place Express perform support
21 services as reflected in this memo line?

22 A. No.

23 Q. What about the defendant; did he?

24 A. No.

25 Q. Did the defendant do any work to earn this

1 \$55,000?

2 A. No.

3 Q. Did his company, The Chicken Place Express, do
4 any work to earn this \$55,000?

5 A. No.

6 Q. So, sir, why did you approve this \$55,000
7 payment?

8 A. To continue to receive data migration support
9 work.

10 MR. BURKE: Now, Ms. Sandvig, if you could
11 please put up 21-2 and 1-1 on the screen next to each
12 other.

13 The Court's indulgence, Your Honor.

14 BY MR. BURKE:

15 Q. Sir, do you have 21-2 and 1-1 on your screen?

16 A. Yes.

17 Q. How, if at all, does the check marked as 21-2
18 relate to the fake invoice marked as 1-1?

19 A. One is a submission for a request for payment and
20 the other one is the instrument used to pay for that
21 request.

22 Q. So, the check paid the fake invoice?

23 A. Yes.

24 MR. BURKE: Your Honor, may we publish 21-3?

25 THE COURT: Yes.

1 BY MR. BURKE:

2 Q. Sir, do you have 23-3 in front of you?

3 A. Yes.

4 Q. What is Government Exhibit 21-3?

5 A. A check from Team America Contractors to pay --
6 made payable to CPE for \$35,000.

7 Q. Who approved this payment of \$35,000 to the
8 defendant's company?

9 A. Myself and Glen Bertrand, Senior.

10 Q. If you could look at the address that's listed
11 above the memo line. Do you see that address?

12 A. Yes.

13 Q. Is that a real address?

14 A. No.

15 Q. What does the memo line of this check say?

16 A. "Document conversion Project-137."

17 Q. Sir, did the defendant's company actually perform
18 the work listed in this memo line?

19 A. No.

20 Q. Did the defendant do any work to earn this money?

21 A. No.

22 Q. So, why did you approve the check that's marked
23 as 21-3?

24 A. To continue to receive the data migration support
25 service work.

1 MR. BURKE: Ms. Sandvig, could we publish
2 21-3 and 1-2.

3 BY MR. BURKE:

4 Q. Sir, do you have 21-3 and 1-2 on your screen?

5 A. Yes, sir.

6 Q. Sir, how, if at all, does the check marked as
7 21-3 relate to the fake invoice marked as Government
8 Exhibit 1-2?

9 A. It's the instrument used to pay the invoice for
10 support services.

11 Q. So, that check was used to pay the fake invoices?

12 A. Yes.

13 MR. BURKE: Your Honor, may we publish 27-1?

14 THE COURT: Yes.

15 BY MR. BURKE:

16 Q. Sir, what is Government Exhibit 27-1?

17 A. 27-1 is an invoice that ties to the check from
18 Team America Contractors, payable to CPE.

19 Q. I'm sorry, sir. Do you have 27-1 in front of
20 you?

21 A. Yes.

22 Q. Is this a check?

23 A. Yes, this is a check.

24 Q. A check from who?

25 A. From Team America Contractors to CPE.

1 Q. For how much money?

2 A. For \$50,000.

3 Q. Who approved this payment of \$50,000 to the
4 defendant's company?

5 A. Myself and Glen Bertrand, Senior.

6 Q. What does the memo line of this check say?

7 A. "Support services."

8 Q. Did The Chicken Place Express perform the support
9 services listed in this memo line?

10 A. No.

11 Q. Did the defendant perform the support services
12 listed in this memo line?

13 A. No.

14 Q. Did the defendant do any work to earn this
15 \$50,000?

16 A. No.

17 Q. Did his company do any work to earn this \$50,000?

18 A. No.

19 Q. Why did you agree to pay this \$50,000 check to
20 the defendant's company?

21 A. To -- to continue to receive the support service
22 work for the data migration project.

23 MR. BURKE: Your Honor, may we publish 27-2?

24 THE COURT: Yes.

25 BY MR. BURKE:

1 Q. Sir, do you have 27-2 in front of you?

2 A. Yes.

3 Q. What is 27-2?

4 A. A check payable to CPE from Team America
5 Contractors in the amount of \$20,000.

6 Q. Who signed this check?

7 A. Alice Bertrand.

8 Q. Who authorized Alice Bertrand to make this
9 payment to the defendant's company?

10 A. Myself and Glen Bertrand, Senior.

11 Q. What does the memo line on the face of this check
12 say?

13 A. "Support services."

14 Q. Sir, did The Chicken Place Express perform the
15 support services listed in the memo line of this check?

16 A. No, sir.

17 Q. Did the defendant perform the support services
18 listed in the memo line of this check?

19 A. No sir.

20 Q. Did the defendant's company perform any work to
21 earn this \$20,000?

22 A. No, sir.

23 Q. Did the defendant perform any work to earn this
24 \$20,000?

25 A. No, sir.

1 Q. Sir, why did you agree to make this payment of
2 \$20,000 to the defendant?

3 A. To continue the data management support service
4 work.

5 MR. BURKE: Your Honor, may we publish 27-3?

6 THE COURT: Yes.

7 BY MR. BURKE:

8 Q. Do you have 27-3 in front of you, sir?

9 A. Yes, sir.

10 Q. What is 27-3?

11 A. A check made payable from Team America
12 Contractors to CPE.

13 Q. For how much money?

14 A. \$15,000.

15 Q. Whose signature appears on this check?

16 A. Alice Bertrand.

17 Q. Who authorized Ms. Bertrand to write this \$15,000
18 check to the defendant's company?

19 A. Myself and Glen Bertrand, Senior.

20 Q. What does the memo line on this check say?

21 A. "Data migration."

22 Q. Sir, did The Chicken Place Express perform any
23 work to earn this \$15,000?

24 A. No.

25 Q. Did the defendant perform any work to earn this

1 \$15,000?

2 A. No.

3 Q. Sir, why did you agree to pay this \$15,000 check
4 to the defendant's company?

5 A. To continue the data migration support work.

6 MR. BURKE: Ms. Sandvig, if you could
7 publish 27-3 alongside 1-3.

8 BY MR. BURKE:

9 Q. Sir, do you have 27-3 and 1-3 on your screen?

10 A. Yes.

11 Q. How, if at all, does the check marked as 27-3
12 relate to the fake invoice we see in 1-3?

13 A. It's an instrument that was used to pay the
14 invoice.

15 Q. When you say "the instrument," are you referring
16 to the check?

17 A. The check, the check that was used to pay for the
18 invoice.

19 MR. BURKE: Your Honor, may we publish 21-4?

20 THE COURT: Yes.

21 BY MR. BURKE:

22 Q. Sir, do you have 21-4 in front of you?

23 A. Yes.

24 Q. What is Government Exhibit 21-4?

25 A. A check payable to CPE in the amount of \$7,500.

1 Q. Whose signature appears on this check?

2 A. Alice Bertrand.

3 Q. Who authorized Ms. Bertrand to make payment of
4 \$7,500 to the defendant's company?

5 A. Myself and Glen Bertrand, Senior.

6 Q. Sir, what does the memo line of this check say?

7 A. "Engineering services."

8 Q. Sir, did The Chicken Place Express perform the
9 engineering services reflected on this check?

10 A. No.

11 Q. Did the defendant perform the engineering
12 services reflected on this check?

13 A. No.

14 Q. Did The Chicken Place Express perform any real
15 work to earn this money?

16 A. No.

17 Q. Did the defendant do any real work to earn this
18 money?

19 A. No.

20 Q. So, sir, why did you approve the payment of this
21 check?

22 A. To continue to receive data migration support
23 service work.

24 MR. BURKE: Your Honor, may we publish 27-4?

25 THE COURT: Yes.

1 BY MR. BURKE:

2 Q. Sir, do you have 27-4 in front of you?

3 A. Yes.

4 Q. What is 27-4?

5 A. A check written from Team America Contractors to
6 CPE in the amount of \$7,500.

7 Q. Whose signature appears on the check?

8 A. Alice Bertrand.

9 Q. Who authorized Ms. Bertrand to make this payment
10 of \$7,500 to the defendant's company?

11 A. Myself and Glen Bertrand, Senior.

12 Q. And, sir, what does the memo line of this check
13 say?

14 A. "Engineering services."

15 Q. Did The Chicken Place Express perform the
16 engineering services listed on the memo line of this
17 check?

18 A. No, sir.

19 Q. Did the defendant perform the engineering
20 services listed on the memo line?

21 A. No, sir.

22 Q. Did the defendant's company perform any real work
23 to earn this \$7,500?

24 A. No, sir.

25 Q. Did the defendant perform any real work to earn

1 this \$7,500?

2 A. No, sir.

3 Q. Sir, why did you agree to pay this \$7,500 to the
4 defendant's company?

5 A. To continue the data management contract and
6 support work.

7 Q. Mr. Bedford, let's talk now about the actual
8 performance of the data migration work.

9 Sir, after your company, Bedford's Images, was
10 awarded the data migration subcontract, how did you know
11 what files needed to be migrated?

12 A. The -- the files were provided to us via hard --
13 portable hard drives, outlined -- and whether they were
14 supposed to be left as native documents, meaning being
15 in the same format as they were given, or converted --
16 converted into an archivable file to be referenced for
17 storage.

18 Q. You said "hard drives." Were those hard drives
19 that your company bought?

20 A. No, they -- no, they were not. They were hard
21 drives and laptops which were government-furnished
22 equipment.

23 Q. Who furnished the government equipment to you?

24 A. Raushi Conrad and Robert Moffett.

25 MR. BURKE: Your Honor, may we approach?

1 THE COURT: Yes.

2 (Thereupon, the following sidebar conference
3 was had:)

4 MR. BURKE: Your Honor, as I believe you
5 know, this witness has some severe health issues.

6 THE COURT: It looks like he's starting to
7 fade to me.

8 MR. BURKE: He appears to be in pain. So I
9 would ask that --

10 THE COURT: I was planning to take the
11 recess in five minutes. I'll take it now. Would
12 20 minutes be enough?

13 MR. BURKE: Well, what I would request is --
14 because ordinarily we would not have any contact with
15 the witness. We would ask permission to ask him if he
16 believes he can continue for some time, at the recess.

17 THE COURT: Okay.

18 MR. BURKE: And then we can address with him
19 how much longer he thinks he can go today.

20 THE COURT: Okay.

21 MR. BURKE: And then we can report back to
22 Your Honor outside the presence of the jury.

23 THE COURT: Okay, sir?

24 MR. SIMMS: Fine, Your Honor. No objection.

25 THE COURT: Okay.

1 MR. BURKE: So, we'll recess now?

2 THE COURT: Yes. Just stay right here.

3 (Thereupon, the sidebar conference was
4 concluded.)

5 THE COURT: Ladies and gentlemen, we're
6 going to take the morning recess now for about 15, maybe
7 20 minutes. I'm not sure. But 15 is about right. It
8 might be 20. I'll let you know if it's 20.

9 Again, please don't discuss the case. Don't
10 permit the case to be discussed in your presence. We
11 will resume at that point.

12 Thank you.

13 (Court recessed at 11:28 a.m. and reconvened
14 at 11:53 a.m.)

15 THE COURT: You may bring our jury out,
16 Mr. Hendrick.

17 Thank you.

18 MR. HENDRICK: Yes, sir.

19 THE COURT: You may be seated.

20 All right. Counsel, you may proceed.

21 BY MR. BURKE:

22 Q. Mr. Bedford, when Bedford's Images was awarded
23 the data migration subcontract, did your company have
24 any employees?

25 A. No.

1 Q. So, who did you use to actually perform the data
2 migration work?

3 A. Associates of -- of myself, and Bertrand's
4 family.

5 Q. When you say "associates," are you referring to
6 friends?

7 A. Friends, yes.

8 Q. Neighbors?

9 A. Yes.

10 Q. Did all of those people have computer expertise?

11 A. Expertise, no.

12 Q. What did you direct these people to do?

13 A. To convert -- convert the files from one format
14 to another; so from a source file either to a later
15 version of that file, being if it was a Word document,
16 it got converted to the prospective Word software
17 version at the current time. If it was for our archive
18 purposes, the document got converted from its native
19 document into a PDF format.

20 Q. And how were they directed to -- to do this
21 conversion?

22 A. They were given laptops with the prospective file
23 convention that was to be converted, along with a
24 duplicate file structure that -- that they were to
25 convert the file into and put it into the new file

1 structure; if that makes any sense.

2 Q. What tool or software, if any, were --

3 A. Your standard Microsoft Office tool, there was
4 some virus software and an off-the-shelf PDF Converter,
5 professional software product.

6 Q. With the assistance of the court security
7 officer, if you could now turn to Government Exhibit 20,
8 please.

9 Do you have Government Exhibit 20 in front of
10 you?

11 A. Yes.

12 Q. What is Government Exhibit 20?

13 A. A receipt from Office Depot for the purchase of
14 PDF Converter.

15 Q. Was this the software you asked the -- your
16 independent -- the people that you worked with to use?

17 A. Yes.

18 MR. BURKE: Your Honor, the parties have
19 stipulated that Government Exhibit 20 is an authentic
20 business record and we move to admit Exhibit 20.

21 THE COURT: Twenty will be received. Thank
22 you.

23 MR. BURKE: Ms. Sandvig, could you publish
24 that, please.

25 BY MR. BURKE:

1 Q. And, sir, where did you purchase the software
2 that you used to do this data migration work?

3 A. Office Depot.

4 Q. Did you have to purchase any other software in
5 order to perform the work you did?

6 A. No, I did not.

7 Q. Mr. Bedford, were the people who actually
8 performed the data migration work employees of yours or
9 independent contractors?

10 A. No, they were independent contractors.

11 Q. How did you keep track of what you needed to pay
12 these individuals?

13 A. Individuals submitted their hours via invoice
14 that they performed services for, and those were
15 received in the normal format, and the vendor would
16 submit to our organization for review and payment.

17 Q. Now, with the assistance of the court security
18 officer, if I could ask you to now turn to Government's
19 Exhibits 10-1 through 10-9.

20 Do you have 10-1 through 10-9 in front of you?

21 A. Yes, sir, I do.

22 Q. What are 10-1 through 10-9?

23 A. Invoices submitted by the independent contractors
24 for hours submitted to perform conversion work.

25 Q. Did you require the contractors who worked with

1 you to submit these records to you at or near the time
2 they performed the work?

3 A. At the completion, yes, of the work being
4 performed.

5 Q. Were the -- were the invoices submitted to you
6 from people who were personally involved in doing the
7 work?

8 A. Yes.

9 Q. Were they submitted from people who had firsthand
10 knowledge of what work they had performed?

11 A. Yes.

12 Q. Was it your regular practice to track this
13 information?

14 A. Yes.

15 Q. Did you -- did you keep these records in the
16 course of your regularly conducted business activity?

17 A. Yes.

18 Q. And did you rely on the -- these invoices in the
19 course of your business?

20 A. Yes.

21 MR. BURKE: Your Honor, the government moves
22 to admit 10-1 through 10-9.

23 THE COURT: 10-1 through 10-9 will be
24 received without objection.

25 BY MR. BURKE:

1 Q. Sir, did your company prepare any tax
2 documentation reflecting what these people were paid?

3 A. Yes.

4 Q. What kind of forms?

5 A. They were issued the contractor's 1099 at the end
6 of the prospective year the services were rendered.

7 Q. And briefly, in lay terms, what is a 1099?

8 A. A 1099 is a W-2 for contractors.

9 Q. If I could ask you now to turn to Government
10 Exhibits 30-1 through 30-8.

11 What are Government Exhibits 30-1 through 30-8?

12 A. Copies of 1099s issued to the contractors that
13 performed the conversion support.

14 Q. Do these 1099 forms accurately reflect what you
15 paid the independent contractors?

16 A. Yes, they do.

17 Q. Do they accurately reflect what was paid to them
18 for the data migration work?

19 A. Yes, they do.

20 MR. BURKE: Your Honor, the parties have
21 stipulated that 30-1 -- 30-1 through 30-8 are authentic
22 business records, and we move for their admission.

23 THE COURT: 30-1 and (sic) 30-8 will be
24 received without objection.

25 BY MR. BURKE:

1 Q. Mr. Bedford, aside from the Office Depot receipt
2 for the PDF conversion software and the payments made to
3 these independent contractors, did you incur any other
4 out-of-pocket expenses in performing the data migration
5 work?

6 A. No out-of-pocket expense, no other.

7 Q. Mr. Bedford, while you were performing the data
8 migration work, who did you bill for your -- for
9 Bedford's Images' work?

10 A. The Tridea Works.

11 Q. Did you prepare invoices?

12 A. Yes, I did.

13 Q. And if you could now look at Government
14 Exhibits 6-1 through 6-9.

15 Do you have 6-1 through 6-9 in front of you, sir?

16 A. Yes, sir, I do.

17 Q. What are Government Exhibits 6-1 through 6-9?

18 A. Invoices prepared to bill Tridea Works for the
19 conversion of -- document management conversion work.

20 Q. Who prepared these invoices?

21 A. I prepared those invoices.

22 Q. Sir, were you paid for each of these invoices?

23 A. Yes, sir, we were paid.

24 Q. Who paid you?

25 A. Tridea Works paid us for the invoices, sir.

1 Q. Now, Mr. Bedford, were your invoices, the
2 invoices that you submitted to Tridea Works, were they
3 truthful?

4 A. No, they were not accurate.

5 Q. Did you lie on those invoices?

6 A. Yes.

7 MR. BURKE: Your Honor, I believe 6-1
8 through 6-9 are already admitted, and we would ask to
9 publish 6-1.

10 THE COURT: You can.

11 BY MR. BURKE:

12 Q. Sir, do you have 6-1 in front of you?

13 A. Yes.

14 Q. What is Government Exhibit 6-1?

15 A. Invoice.

16 Q. An invoice from you?

17 A. Invoice from Bedford's Images to Tridea Works.

18 Q. Let's look at the number of hours listed on this
19 invoice. Did you inflate the number of hours?

20 A. Yes, sir.

21 Q. So, fair to say the number of hours on this
22 invoice are false; is that right?

23 A. That's correct.

24 Q. And the profit line, what does this invoice list
25 as the amount of profit?

1 A. \$6,453.02.

2 Q. Was the actual profit that you earned higher or
3 lower than that figure?

4 A. Lower -- I mean higher.

5 Q. It was much higher, wasn't it?

6 A. Yes.

7 Q. So, is the profit line on this invoice also
8 false?

9 A. It is.

10 Q. And, sir, by inflating the number of hours on the
11 invoice, you inflated the amount of money your company
12 would get paid, right?

13 A. That's correct.

14 Q. Was this invoice, 6-1, the only invoice where you
15 lied?

16 A. No. All the invoices that I submitted reflected
17 the same -- similar billing.

18 Q. Similar lies?

19 A. Yes.

20 Q. Let's look at 6-2, sir.

21 Did you inflate the number of hours on this
22 invoice?

23 A. Yes.

24 Q. So, are the number of hours on this invoice, are
25 they false?

1 A. Correct.

2 Q. And the profit line, is that profit line false as
3 well?

4 A. Yes.

5 Q. Did you actually receive more than that in
6 profit?

7 A. Yes.

8 Q. And, sir, did you make similar false statement on
9 the other invoices you submitted?

10 A. Yes. Invoices through this series are the same,
11 sir.

12 MR. BURKE: The Court's indulgence, Your
13 Honor.

14 THE COURT: All right.

15 BY MR. BURKE:

16 Q. Mr. Bedford, let me direct your attention now to
17 March of 2013. In March of 2013, was a search warrant
18 executed at your house?

19 A. Yes.

20 Q. Were you interviewed by law enforcement agents
21 that day?

22 A. Yes.

23 Q. Did they ask you questions about this
24 investigation?

25 A. Yes.

1 Q. Did the agents ask you whether there was any
2 connection between the payments to Mr. Conrad and the
3 data migration contract?

4 A. Yes.

5 Q. What did you tell the agents that day?

6 A. I told them that it was not.

7 Q. That there was no connection?

8 A. Yes.

9 Q. Were you truthful that day?

10 A. No.

11 Q. Sir, why did you -- what did you tell the agents
12 that day?

13 A. The -- I don't recall verbatim what I said to the
14 agents, but they asked if Mr. Conrad had performed any
15 of the services and whether or not I had paid him to
16 pay -- to get work from him for -- in exchange for the
17 loan or building of a restaurant.

18 Q. What was your answer to them?

19 A. I expressed to them that I had made payments, but
20 not for the -- to receive work, but to -- to assist with
21 the request for a loan.

22 Q. So, were you truthful with the agents that day?

23 A. No.

24 Q. Why did you lie to the agents that day?

25 A. Because I -- I was uncomfortable and I had

1 committed an act that was a bad decision on my -- my
2 behalf as a businessperson, and was lying to try to
3 minimize the amount of laws that I had potentially
4 broke.

5 Q. Sir, since those interviews with law enforcement,
6 have you pled guilty?

7 A. Yes, I have.

8 Q. Why did you plead guilty?

9 A. Because I decided that it -- it was the proper
10 thing for me to do, to come forth and to end the
11 back-and-forth with that portion of my involvement with
12 the investigation.

13 MR. BURKE: The Court's indulgence, Your
14 Honor.

15 (Pause.)

16 MR. BURKE: Your Honor, may we briefly
17 approach?

18 THE COURT: Yes.

19 (Thereupon, the following sidebar conference
20 was had:)

21 MR. BURKE: Your Honor, I would ask that the
22 witness be permitted to step down at this time, to
23 return to complete his testimony tomorrow morning.

24 THE COURT: Okay.

25 MR. SIMMS: No objection.

1 THE COURT: All right.

2 (Thereupon, the sidebar conference was
3 concluded.)

4 THE COURT: Mr. Bedford, we're going to
5 recess your testimony for today and have you come back
6 tomorrow. You can step down now. Thank you.

7 (Thereupon, the witness withdrew from the
8 stand.)

9 MR. BURKE: Your Honor, the government calls
10 Maria Couvillon.

11 MR. HENDRICK: Face the clerk. Please raise
12 your right hand.

13 (Witness sworn.)

14 THE WITNESS: Yes, I do.

15 THE CLERK: Thank you. Have a seat, please.

16 THE COURT: You may proceed.

17 THEREUPON, MARIA COUVILLON, having been duly
18 sworn, testified as follows:

19 DIRECT EXAMINATION

20 BY MR. BURKE:

21 Q. Ma'am, could you please state your name and spell
22 it for the court reporter.

23 A. Maria Couvillon, M-a-r-i-a, C-o-u-v-i-l-l-o-n.

24 Q. Ma'am, where do you work?

25 A. I'm currently employed as a postal inspector with

1 the United States Postal Inspection Service.

2 Q. And briefly, what is the U.S. Postal Inspection
3 Service?

4 A. U.S. Postal Inspection Service is the law
5 enforcement agency for the Postal Service.

6 Q. How long have you worked for the Postal
7 Inspection Service?

8 A. Approximately thirteen and a half years.

9 Q. What is your position there?

10 A. I currently am employed -- or am currently
11 assigned to mail fraud investigations.

12 Q. Could -- could you very briefly describe your
13 duties?

14 A. I conduct investigations that involve fraud
15 schemes with a postal nexus.

16 Q. Inspector Couvillon, in your work as a postal
17 inspector, have you become familiar with something
18 that's referred to as the Postal Service's Address
19 Management System?

20 A. Yes.

21 Q. Could you describe for the jury, what is the
22 Address Management System?

23 A. It's a postal database that maintains a list of
24 deliverable addresses.

25 Q. And could you describe for the jury what type of

1 data, what type of addresses are maintained in that
2 database?

3 A. Addresses for single-family residences, apartment
4 buildings, PO boxes, throughout the U.S.

5 Q. Throughout the entire United States?

6 A. Yes.

7 Q. Is it possible to conduct a search or a query of
8 that database?

9 A. Yes.

10 Q. And do you use that database in the course of
11 your duties as a postal inspector?

12 A. Yes, I do.

13 Q. Have you found the database to be reliable?

14 A. Yes.

15 Q. Now, Inspector Couvillon -- Inspector Couvillon,
16 with the court -- with the assistance of the court
17 security officer, I would like you to now please take a
18 look at Government Exhibits 1-1, 21-2 and 21-3.

19 MR. BURKE: And Your Honor, 1-1 has been
20 admitted. May we publish it, please.

21 THE COURT: Yes.

22 MR. BURKE: And, Ms. Sandvig, if you could
23 blow up the address.

24 BY MR. BURKE:

25 Q. Inspector Couvillon, what's the address listed

1 here?

2 A. PO Box 2898, Centreville, Virginia 20120.

3 MR. BURKE: And if we could publish
4 Government Exhibit 21-2, please.

5 BY MR. BURKE:

6 Q. Inspector Couvillon, what's the address listed on
7 the -- above the memo line of that check?

8 A. PO Box 2898, Centreville, Virginia 20120.

9 MR. BURKE: And may we publish 21-3, Your
10 Honor?

11 THE COURT: Yes.

12 BY MR. BURKE:

13 Q. Inspector Couvillon, what's the address listed
14 above the memo line of that check?

15 A. PO Box 2898, Centreville, Virginia 20120.

16 Q. Inspector Couvillon, as a part of this
17 investigation, were you asked to conduct a query of the
18 Postal Service's Address Management System?

19 A. Yes.

20 Q. What address did you query in the database?

21 A. PO Box 2898, Centreville, Virginia 20120.

22 Q. What was the result of your search?

23 A. It was determined that it was an undeliverable
24 address, that the PO Box was not existent.

25 MR. BURKE: Court's indulgence, Your Honor.

1 (Pause.)

2 MR. BURKE: Nothing further, Your Honor.

3 MR. SIMMS: Your Honor, the defense has no
4 questions for this witness.

5 THE COURT: All right.

6 May the witness be excused?

7 MR. BURKE: Yes, for the government.

8 THE COURT: You're free to leave or stay as
9 you like.

10 Thank you.

11 THE WITNESS: Thank you.

12 (Thereupon, the witness withdrew from the
13 stand.)

14 MR. WALKER: Your Honor, the government
15 calls Sean Baer.

16 MR. HENDRICK: Face the clerk. Raise your
17 right hand, please.

18 (Witness sworn.)

19 THE WITNESS: Yes.

20 THE CLERK: Thank you.

21 Have a seat, please.

22 THEREUPON, DEREK SEAN BAER, having been duly
23 sworn, testified as follows:

24 DIRECT EXAMINATION

25 BY MR. WALKER:

1 Q. Sir, could you please state and spell your name
2 for the court reporter.

3 A. Yes. It's Derek Sean Baer, D-e-r-e-k, S-e-a-n,
4 last name is Baer, B-a-e-r.

5 Q. Where do you work?

6 A. I'm currently a special agent at the U.S. Postal
7 Service, Office of Inspector General.

8 Q. How long have you worked there?

9 A. I've been with the Postal Service for about three
10 years.

11 Q. From September of 2012 to May of 2013, where were
12 you employed?

13 A. I was assigned as a special agent with the
14 Department of Commerce, Office of Inspector General.

15 Q. Can you briefly describe what your duties were as
16 a special agent of the Department of Commerce, Office of
17 Inspector General?

18 A. Sure. Like all office of inspector generals,
19 they're responsible for investigating incidents of
20 fraud, waste and abuse against a government agency; in
21 this case the Commerce Department and its employees.

22 Q. Special Agent Baer, directing your attention to
23 March 13th, 2013, were you on duty that day?

24 A. I was.

25 Q. What was your assignment?

1 A. I was assigned as a lead agent for a search
2 warrant of the home of Mr. Raushi Conrad.

3 Q. Was that [REDACTED] Court?

4 A. Yes, in Bristow, Virginia.

5 Q. Is that located within the Eastern District of
6 Virginia?

7 A. Yes, it is.

8 Q. Special Agent Baer, do you see Raushi Conrad in
9 the courtroom today?

10 A. I do.

11 Q. Could you please identify him by where he is
12 sitting and what he is wearing?

13 A. Mr. Conrad is sitting there (indicating). He's
14 wearing a white shirt with a gray tie.

15 MR. WALKER: Your Honor, may the record
16 reflect that the witness has accurately identified the
17 defendant?

18 THE COURT: So noted.

19 BY MR. WALKER:

20 Q. Special Agent Baer, before the search took place,
21 did you have an opportunity to interview the defendant?

22 A. Yes. Myself and Special Agent Leanne Sailer from
23 the FBI interviewed Mr. Conrad in his home.

24 Q. Aside from yourself and Special Agent Sailer, was
25 there anyone else present for the interview?

1 A. No.

2 Q. Where specifically did the interview take place?

3 A. We conducted the interview, at Mr. Conrad's
4 behest, down in his basement.

5 Q. I want to walk the jury through that interview.
6 Let's start with the defendant's employment.

7 What, if anything, did he tell you about where he
8 worked?

9 A. That he had previously been employed by the
10 Commerce Department, but that at the time he was working
11 at The Chicken Place restaurant.

12 Q. And where was that restaurant located?

13 A. I believe that that restaurant was located in
14 Fairfax, Virginia.

15 Q. Were you able to discuss the data migration
16 project with the defendant?

17 A. Yes.

18 Q. According to the defendant, whose idea was it to
19 award the data migration contract to Bedford's Images?

20 A. It was his -- it was his decision.

21 Q. During the course of your interview, were you
22 able to discuss payments made from Team America
23 Contractors to the defendant?

24 A. Yes.

25 Q. Were you able to show the defendant any financial

1 documents during that interview?

2 A. Yes. During the course of the interview, I
3 showed the defendant multiple checks that were written.

4 Q. With Mr. Hendrick assistance, would you please
5 take a look at what has been previously admitted into
6 evidence as Government Exhibits 21-1 through 21-4, and
7 27-1 through 27-4.

8 A. Okay. I have them here.

9 Q. Do you recognize those documents?

10 A. Yes. These are the checks that I showed Mr. --
11 Mr. Conrad.

12 MR. WALKER: Your Honor, may we have
13 permission to publish 21-1 to the jury?

14 THE COURT: Yes.

15 BY MR. WALKER:

16 Q. Let's take a look at that first check, Special
17 Agent Baer, marked Government Exhibit 21-1.

18 What is the date on that check?

19 A. The date is November 12th of 2010.

20 Q. Who is the check from?

21 A. The check is from Team America Contractors.

22 Q. Who is the check made payable to?

23 A. It's made payable to CPE.

24 Q. Over the course of your interview with the
25 defendant, did he ever explain what "CPE" stood for?

1 A. Yes. Mr. Conrad stated that "CPE" was Chicken
2 Place Express, which was the -- the name of his
3 restaurant.

4 Q. How much is this check for?

5 A. It is for \$18,000.

6 Q. What, if any, work did the defendant say he
7 performed to receive this \$18,000 check from Team
8 America Contractors?

9 A. Mr. Conrad stated that he didn't do any work for
10 Team America for the money that was paid to him.

11 MR. WALKER: Your Honor, may we publish
12 Government Exhibit 21-2 to the jury?

13 THE COURT: Yes.

14 BY MR. WALKER:

15 Q. Turning your attention now to the second check,
16 marked Government Exhibit 21-2, what is the date on that
17 check?

18 A. The date is December 15th of 2010.

19 Q. Who is the check from?

20 A. The check is from Team America Contractors.

21 Q. And who is it made payable to?

22 A. To CPE.

23 Q. What, if any, work did the defendant say he
24 performed to receive this check?

25 A. The defendant, Mr. Conrad, stated he did not do

1 any work to receive this payment.

2 Q. What's the amount of the check?

3 A. It is for \$55,000.

4 Q. Directing your attention to the bottom left
5 corner of the check, to the memo line, what does the
6 memo line say?

7 A. It states, "Support services Number 127."

8 Q. What, if anything, did the defendant say about
9 whether he actually performed any support services for
10 Team America?

11 A. The defendant stated he didn't do anything,
12 didn't do any work for this money.

13 MR. WALKER: Your Honor, permission to
14 publish 21-3 to the jury.

15 THE COURT: Yes.

16 BY MR. WALKER:

17 Q. Let's take a look at the third check, marked
18 Government Exhibit 21-3, the check dated February 4th,
19 2011.

20 What is that?

21 A. That is one of the checks that I showed
22 Mr. Conrad.

23 Q. And who is the check from?

24 A. It's from Team America Contractors.

25 Q. And who is it made payable to?

1 A. To CPE.

2 Q. What, if any, work did the defendant say he
3 performed to receive this check?

4 A. Again, the defendant, Mr. Conrad, stated he did
5 not do any work for this check -- for the money in this
6 check.

7 Q. And directing your attention again to the memo
8 line in the bottom left corner, what does that memo line
9 say?

10 A. It says, "Document conversion Project 137."

11 Q. What, if any, document conversion project did the
12 defendant say he performed for Team America?

13 A. Mr. Conrad stated that he did no work, including
14 no conversion, during the time we interviewed him, for
15 this money.

16 MR. WALKER: Your Honor, permission to
17 publish Government Exhibit 21-4.

18 THE COURT: Permission granted.

19 BY MR. WALKER:

20 Q. Turning your attention now to the check marked
21 Government Exhibit 21-4, dated August 15th, 2011, who is
22 that check from?

23 A. That is from Team America Contractors.

24 Q. And who is it made payable to?

25 A. To CPE.

1 Q. What's the amount of that check?

2 A. It is \$7,500.

3 Q. What, if any, work did the defendant say he
4 performed to receive this \$7,500 check from Team
5 America?

6 A. Mr. Conrad stated he didn't do any work for this
7 money.

8 Q. Directing your attention to the memo line of this
9 check, in the bottom left corner, what does the memo
10 line say?

11 A. "Engineering services."

12 Q. What, if anything, did the defendant say about
13 whether he actually performed any engineering services
14 for Team America?

15 A. Mr. Conrad stated he did not perform any work,
16 again, for this check -- for the money in this check.

17 Q. And, Special Agent Baer, let's walk through the
18 last four checks at once.

19 Are Government Exhibits 27-1 through 27-4 also
20 checks the defendant received from Team America?

21 A. Yes. Those were the checks that he received, as
22 well as the ones I showed him during the interview.

23 Q. Starting with Government Exhibit 27-1, dated
24 March 10th, 2011, what does that check say -- the memo
25 line say the check is for?

1 A. For "Support services."

2 Q. What about Government Exhibit 27-2, dated
3 May 3rd, 2011; what does the memo line say that check is
4 for?

5 A. "Support services."

6 Q. And Government Exhibit 27-3, dated June 20th,
7 2011, what does the memo line say that check is for?

8 A. There's a number, it's -- I think "2112," and
9 then it says the "data migration."

10 Q. And, finally, Government Exhibit 27-4, dated
11 August 19th, 2011, what does the memo line say that
12 check is for?

13 A. "Engineering services."

14 Q. The services that are listed on those memo lines
15 "support services," "data migration," and "engineering
16 services," what, if any, of those services did the
17 defendant say he performed for Team America?

18 A. Mr. Conrad stated that he did not do any work for
19 the money that was paid to him through these checks.

20 Q. And after receiving all of the checks we just
21 walked through, Government Exhibits 21-1 through 21-4,
22 and 27-1 through 27-4, what, if anything, did the
23 defendant say he did with those checks?

24 A. Mr. Conrad stated that he cashed those checks.

25 Q. Given the defendant's statements that he did not

1 perform any work for Team America, what, if any,
2 explanation did he provide for why he received the
3 money?

4 A. He didn't provide an explanation; just stated
5 that he didn't do any work for the -- for the money that
6 he was provided in these checks.

7 Q. Special Agent Baer, you testified earlier that
8 you conducted your interview of the defendant in his
9 basement at his behest. Did you have an opportunity to
10 discuss his basement with him during the interview?

11 A. Yes. Yes, I did.

12 Q. And were you able to ask him questions about
13 renovation work done on his basement?

14 A. Yes.

15 Q. During your interview, what, if anything, did
16 your ask the defendant about the work performed by Team
17 America Contractors at his residence?

18 A. He had stated that Team America had done the
19 majority of the work in the basement.

20 Q. According to the defendant, what did he pay for
21 that work?

22 A. He stated that he paid some of the
23 subcontractors, but he didn't pay the entire amount.

24 Q. Did he say that he paid for all of the work done
25 by Team America Contractors on his basement?

1 A. He didn't state that he paid for any of the work
2 done by Team America, only that he paid some of the
3 contractors for some of the work.

4 MR. WALKER: Nothing further, Your Honor.

5 CROSS-EXAMINATION

6 BY MR. SIMMS:

7 Q. Good afternoon.

8 A. Good afternoon.

9 Q. Special Agent Baer, right?

10 A. Yes.

11 Q. Okay. So, Mr. Baer, you went to interview
12 Mr. Conrad on March 13th at (sic) 2013?

13 A. Correct.

14 Q. Okay. And the government just went through
15 several checks with you and asked you had Mr. Conrad
16 done any work in order to receive those checks, right?

17 A. Right.

18 Q. And you went through each one and you said
19 Mr. Conrad said he didn't receive -- he didn't do any
20 work to receive that check, right?

21 A. Correct.

22 Q. All right. Mr. Conrad also didn't say that he
23 provided contracts in order to receive those checks, did
24 he?

25 (Pause.)

1 Let me rephrase -- I'll rephrase the question.

2 Did he ever tell you that he provided contracts
3 to Bedford Images in order to get paid?

4 A. No, he did not say that.

5 Q. Okay. On direct examination, you stated you
6 asked him what he did with those checks, and your answer
7 was that he cashed those checks.

8 But those checks were deposited, right?

9 A. Yes.

10 Q. Okay.

11 A. I mean, according to the information that we
12 received, they were deposited into an account.

13 Q. Okay. Not just an account, but they were
14 deposited into his account, right?

15 A. Correct.

16 Q. It made it pretty easy to track, right?

17 A. Yes.

18 Q. Okay. And in fact, your agency was able to
19 obtain bank records because they were deposited into
20 Mr. Conrad's account, right?

21 A. I believe all these checks were deposited into
22 the account for CPE, which was an account for the
23 restaurant.

24 Q. Okay. Was Mr. Conrad's name associated with that
25 account?

1 A. Yes. Uh-huh.

2 Q. Okay.

3 A. He was one of the signatory -- signature for the
4 account.

5 Q. Okay. Now, you stated that Mr. Conrad told you
6 that he chose Bedford Images to do the data migration
7 project.

8 A. Right.

9 Q. I direct your attention to Defense Exhibit
10 binder, Tab 2.

11 A. Okay.

12 Q. Are you there?

13 A. I am.

14 Q. Okay. Do you recognize this document?

15 A. Yes. It's what the FBI calls a 302. It's a
16 written report for the investigation -- excuse me -- for
17 the interview of Mr. Conrad.

18 Q. Okay. So, in this situation you all didn't
19 record, make an audio recording of the interview.

20 A. That is correct.

21 Q. Okay. And what a 302 is, is a write-up of the
22 interview that happened between you and whoever the
23 person may be that's being interviewed, right?

24 A. Correct.

25 Q. All right. In this case, it was Mr. Conrad being

1 interviewed?

2 A. Yes.

3 Q. All right. At the top of the document, it has
4 the date of entry, which is reflected, it says
5 March 14th, right?

6 A. That's correct.

7 Q. Okay. So that means that this document was typed
8 up a day after the interview with Mr. Conrad?

9 A. Yes.

10 Q. All right. And this document is supposed to
11 accurately reflect what was relayed to you and your
12 fellow agent during that interview, correct?

13 A. That's correct.

14 Q. All right. Agent Baer, I want you to go through
15 this document and point out to me where it says that
16 Mr. Conrad says he got Bedford Images that contract.

17 MR. WALKER: Objection, Your Honor. He's
18 misstating the witness's testimony.

19 THE COURT: I'm not familiar with that
20 objection, Mr. --

21 MR. WALKER: He's mischaracterizing
22 the witness's -- Mr. Simms is mischaracterizing.

23 THE COURT: Cross-examination for misleading
24 questions, Mr. Walker. Objection overruled.

25 THE WITNESS: I'm sorry. Do you want me to

1 go ahead?

2 What was the question again?

3 BY MR. SIMMS:

4 Q. Okay. The question is: Do you see anywhere in
5 this document where you see Mr. Conrad saying that he
6 got Bedford Images the contract for data migration?

7 A. Do you want me to read from your exhibit?

8 Q. Yes. Do you see it?

9 A. Yes, I do.

10 Q. Okay. What page is it?

11 A. It's on page 2 of 12, the second paragraph.

12 Q. Okay. And here it says --

13 THE COURT: Do you want him to read out
14 loud?

15 MR. SIMMS: Yes.

16 BY MR. SIMMS:

17 Q. Please read paragraph 2 out loud.

18 A. It says, "When asked how BI got the data
19 migration contract, since it looked like it was
20 sole-sourced to them, Conrad responded that it was his
21 idea. He has no idea what Kim Bryant did."

22 Q. Okay. So, the final say-so, according to what
23 Mr. Conrad told you and what's reflected in this report,
24 would have been with Kim Bryant.

25 MR. WALKER: Objection, Your Honor. Calls

1 for speculation.

2 THE COURT: Sustained.

3 BY MR. SIMMS:

4 Q. Why is Kim Bryant's name in this report?

5 MR. WALKER: Objection, Your Honor. Calls
6 for speculation.

7 THE COURT: Is this his report, or someone
8 else's? I'm not clear.

9 MR. SIMMS: This report? I can ask him,
10 Your Honor.

11 MR. WALKER: Your Honor, the report was
12 written by someone else.

13 THE COURT: Okay. Well, I was asking
14 Mr. Simms. Thank you.

15 Ask the witness who wrote the report.

16 BY MR. SIMMS:

17 Q. Agent Baer, who wrote this report?

18 A. It was written by Special Agent Leanne Sailer of
19 the FBI.

20 Q. Did you have any input into it?

21 A. I reviewed the report, I believe, before it was
22 finalized.

23 Q. Did you review for its accuracy?

24 A. Yes.

25 Q. Did you agree that it was accurate after

1 reviewing it?

2 A. Yes.

3 MR. SIMMS: Your Honor, I would ask that the
4 witness be allowed to answer the question.

5 THE COURT: He can answer the question now.
6 Go ahead. Ask him the question again.

7 MR. SIMMS: Okay.

8 BY MR. SIMMS:

9 Q. Special Agent Baer, why is Kim Bryant's name in
10 the report?

11 A. We interviewed Mr. Conrad about Mr. Bryant
12 because Mr. Bryant was the -- at the time, I think it
13 was SPAWAR, which is DOD demand. They were the --
14 SPAWAR was the vehicle, the contractual vehicle that
15 allowed Commerce to hire certain contractors. So, they
16 were the vehicle that was involved. They are not a
17 decision authority. They're just the contracting
18 vehicle.

19 Q. Okay. And are you familiar with the whole -- the
20 contracting process?

21 A. I am.

22 Q. Okay. And are you aware that Tridea was the
23 prime -- the prime contractor in regards to migration
24 project?

25 A. Correct. They were a pass-through.

1 Q. Okay. And it was Tridea who picks their own
2 subcontractors, correct?

3 THE COURT: Excuse me. Are you asking about
4 the contracting process?

5 Does he have personal knowledge of that?

6 MR. SIMMS: He said he did. I asked him as
7 a foundation question.

8 THE COURT: You have to lay a foundation --

9 MR. SIMMS: Okay.

10 THE COURT: -- about that. He's here as a
11 law enforcement officer. He's not a contracting
12 officer.

13 MR. SIMMS: Understood, Your Honor. I'll
14 lay a foundation.

15 BY MR. SIMMS:

16 Q. Agent Baer, through this investigation and other
17 investigations, are you familiar with the contracting
18 process with the federal government?

19 A. I am.

20 Q. Okay. And investigating this case, did you
21 become aware of the contracting process as it related to
22 Tridea and Bedford Images?

23 A. As it relates to the Department of Commerce, yes.

24 Q. Okay. So, as the contracting process works with
25 the Department of Commerce, isn't Tridea, under policy,

1 supposed to pick their own subcontractor?

2 MR. WALKER: Objection, Your Honor. Calls
3 for speculation.

4 THE COURT: Sustained.

5 BY MR. SIMMS:

6 Q. In your experience, who picks the subcontractor?

7 MR. WALKER: Objection, Your Honor. Calls
8 for speculation.

9 MR. SIMMS: Your Honor, may I respond?

10 THE COURT: Yes, you can respond.

11 MR. SIMMS: Your Honor, it does not call for
12 speculation. In his experience and what he's seen --

13 THE COURT: Is this case about what an
14 investigator finds out?

15 Because, Mr. -- Mr. Hodor from Tridea was on
16 the stand a moment ago.

17 MR. SIMMS: Correct.

18 THE COURT: All right. So, objection
19 sustained.

20 BY MR. SIMMS:

21 Q. Now, how long did you interview Mr. Conrad at his
22 residence?

23 A. Um, I don't remember the exact amount of time.
24 Maybe an hour-ish.

25 Q. Okay. And at the same time there was a search

1 warrant conducted?

2 A. Actually, it was prior to the search warrant.

3 Q. Okay. And were you privy to the results of the
4 search warrant?

5 A. I was there for the search warrant, yes.

6 Q. Okay. And do you recall money being recovered
7 during the search warrant?

8 A. I believe that money was found, if that's what
9 you're asking when you say "recovered."

10 Q. Okay. So, the money was found, but not taken
11 from the residence?

12 A. No. It was just -- I believe it was just
13 counted, and Mr. Conrad was brought up and shown the
14 amount. But no money was taken from the residence.

15 Q. Okay. And do you recall the amount?

16 A. I don't. I'm sorry.

17 Q. Okay. If it was a hundred thousand dollars in
18 cash, would it have been taken?

19 A. I don't remember the amount.

20 Q. But, in your experience if it was over a hundred
21 thousand dollars in cash, would it have been seized by
22 your agency?

23 MR. WALKER: Objection, Your Honor.
24 Relevance.

25 THE COURT: Sustained.

1 BY MR. SIMMS:

2 Q. Now, during the interview Mr. Conrad told you
3 that he believed that his actions created a conflict of
4 interest with his agency, correct?

5 A. I believe he stated something about an ethical
6 violation.

7 Q. Okay. And he had resigned from his agency,
8 correct?

9 A. I believe that he had resigned from the -- he
10 certainly was no longer working for the Department of
11 Commerce, and I don't remember now whether it was a
12 resignation or not. I presume that it was.

13 Q. And that was prior to your interview in 2013?

14 A. Correct.

15 Q. Agent, I'm going to refer your attention to
16 page 11 of that document.

17 A. Okay.

18 Q. I'm going to refer your attention page 11, the
19 second-to-the-last paragraph.

20 Do you recall what Mr. Conrad stated when you
21 asked him about a bribery scheme?

22 A. I'm sorry, was that a question?

23 Q. Yeah. Do you recall what he told you?

24 A. I don't remember asking him specifically about
25 the bribery scheme. We were talking about the checks in

1 this case, so...

2 Q. Okay. And what was his response about the
3 checks?

4 A. He actually wouldn't talk to us about -- well, he
5 talked to us about the checks, but he wouldn't -- he
6 told us he couldn't give us the entire story.

7 Q. Referring your attention to the
8 second-to-the-last paragraph --

9 A. Uh-huh.

10 Q. -- so what's this discussion about?

11 A. If memory serves, that Mr. Conrad had stated
12 that -- was kind of recapping. It was towards the end
13 of the interview and he was kind of recapping what he
14 thought that we were there about.

15 And so he stated something along the lines
16 that -- that -- he said that we were concerned with
17 regards to an exchange of money for contracts awarded to
18 Team America, and he stated that, as it states here, "I
19 can tell you today that scenario, I did not do that."

20 Q. Okay.

21 MR. SIMMS: Thank you. No further
22 questions.

23 MR. WALKER: Your Honor, may the witness be
24 excused?

25 THE COURT: Yes.

1 You can step down, sir. Thank you.

2 (Thereupon, the witness withdrew from the
3 stand.)

4 MR. BURKE: Your Honor, the government calls
5 Danielle Hodge.

6 MR. HENDRICK: Face the clerk. Raise your
7 right hand, please.

8 (Witness sworn.)

9 THE WITNESS: I do.

10 THE CLERK: Thank you.

11 Have a seat, please.

12 THEREUPON, DANIELLE HODGE, having been duly
13 sworn, testified as follows:

14 DIRECT EXAMINATION

15 BY MR. BURKE:

16 Q. Good afternoon, ma'am.

17 Could you please state your name and spell your
18 name for the court reporter.

19 A. Danielle Hodge, D-a-n-i-e-l-l-e, H-o-d-g-e.

20 Q. Ms. Hodge, what do you do for a living?

21 A. I'm a secretary at a high school.

22 Q. Could you briefly describe your educational
23 background?

24 A. Some college.

25 Q. Ms. Hodge, do you have any specialized training

1 in computer science?

2 A. No.

3 Q. Do you have any specialized training in
4 information technology?

5 A. No.

6 Q. Do you have any computer-related certifications?

7 A. No.

8 Q. Ms. Hodge, are you familiar with a man named
9 James Bedford?

10 A. Yes.

11 Q. How do you know James Bedford?

12 A. We met in 1993 at a Lamaze child-birthing class.

13 Q. And did you also meet other members of
14 Mr. Bedford's family at the time?

15 A. One more time? I'm sorry.

16 Q. Who else did you meet at Lamaze class?

17 A. His wife, Paula.

18 Q. Are you friends with -- with James Bedford's
19 wife?

20 A. Yes.

21 Q. Have you remained in contact with his wife since
22 1993?

23 A. Yes.

24 Q. Ms. Hodge, let me ask you now to focus on 2010.
25 In 2010, did you have an opportunity to work for James

1 Bedford?

2 A. Yes.

3 Q. Could you explain to the jury what happened?

4 A. James came to me about doing some extra work.
5 That's about it.

6 Q. What kind of work -- how did he describe this
7 work?

8 A. Saving files on a laptop, converting them using a
9 PDF Converter.

10 Q. And what, if anything, did Mr. Bedford instruct
11 you to do?

12 A. To save the files using the PDF Converter, and
13 then save them back to their original format.

14 Q. Aside from that process, were you instructed to
15 do anything else?

16 A. No.

17 Q. Ms. Hodge, did you understand the purpose of the
18 work you were doing?

19 A. No.

20 Q. What kind of training, if any, did you receive
21 from James Bedford in relation to this work?

22 A. Basic instructions on how to save the files.

23 Q. Did the work you were doing require any kind of
24 specialized computer training?

25 A. No.

1 Q. Could you -- how would you describe the actual
2 work that you were doing?

3 A. Long and tedious, repetitive, saving the files
4 over and over.

5 Q. Aside from saving the files over and over, did
6 you do anything else on this project?

7 A. No.

8 Q. Ms. Hodge, were you paid for your work?

9 A. Yes.

10 Q. What was your hourly rate?

11 A. \$25 an hour, and it went to \$30 an hour.

12 Q. Who or what entity paid you for your work?

13 A. Team America Contractors.

14 Q. Ms. Hodge, did you prepare invoices for the work
15 you did?

16 A. Yes.

17 Q. With the assistance of the court security
18 officer, if I could ask you now to please turn to
19 Government Exhibit 10-3.

20 MR. BURKE: And, Your Honor, I believe 10-3
21 has been admitted. We would ask that it be published.

22 THE COURT: You may publish.

23 BY MR. BURKE:

24 Q. Ms. Hodge, what is Government Exhibit 10-3?

25 A. These are my invoices.

1 Q. And did you prepare them around the time you did
2 the work?

3 A. Yes.

4 Q. Did they accurately reflect the amount of hours
5 that you worked?

6 A. Yes.

7 Q. Ms. Hodge, are you married?

8 A. Yes.

9 Q. What is your husband's name?

10 A. Kenneth Lamar Hodge.

11 Q. And what, if any, involvement did Mr. Hodge have
12 in this project?

13 A. He worked -- he did the files, also.

14 Q. Did you assist your husband in preparing invoices
15 as well?

16 A. Yes.

17 Q. With the assistance of the court security
18 officer, if you could now look at 10-5.

19 MR. BURKE: Your Honor, this has been
20 admitted. May we publish?

21 THE COURT: Yes.

22 BY MR. BURKE:

23 Q. Ms. Hodge, what is Government Exhibit 10-5?

24 A. The invoices for my husband, Kenneth.

25 Q. Did you prepare these invoices around the time

1 that Mr. Hodge did the work?

2 A. Yes.

3 Q. Did they accurately reflect the number of hours
4 he worked?

5 A. Yes.

6 Q. Now, ma'am, did -- did you submit these invoices
7 for your husband's work also to Team America?

8 A. Yes.

9 Q. And were you paid?

10 A. Yes.

11 Q. Were both you and your husband paid?

12 A. Yes.

13 Q. Were you paid for all the work that you did?

14 A. Yes.

15 MR. BURKE: One moment, Your Honor.

16 (Pause.)

17 Nothing further from this witness, Your
18 Honor.

19 THE COURT: All right.

20

21 CROSS-EXAMINATION

22 BY MR. SIMMS:

23 Q. Good afternoon, Ms. Hodges.

24 A. Hodge.

25 Q. Hodge. I'm sorry.

1 How did you -- how did you get the invoices to
2 Mr. Bedford?

3 A. Um -- (pause) --

4 Q. Did you mail them or drop them off, e-mail them?

5 A. From what I can recall, e-mailed.

6 Q. E-mailed?

7 A. I just -- I don't recall all the time, but
8 e-mail.

9 Q. Okay. And how did you receive your payment?
10 Did you pick up the checks or were they mailed to
11 you?

12 A. No. Delivery. From what I can recall, his wife
13 dropped them off to me.

14 Q. Okay. And how long after submitting the invoices
15 would it be that his wife would drop the checks off to
16 you?

17 A. Oh, I don't recall.

18 Q. Okay. And, Ms. Hodge, do you know Raushi Conrad?

19 A. No.

20 Q. Ever seen him before?

21 A. No.

22 Q. Ever talked to him?

23 A. No.

24 Q. Okay.

25 MR. SIMMS: No further questions.

1 MR. BURKE: No redirect, Your Honor.

2 May the witness be excused?

3 THE COURT: You're free to leave or stay as
4 you like. Thank you.

5 THE WITNESS: Thank you.

6 (Thereupon, the witness withdrew from the
7 stand.)

8 MR. WALKER: Your Honor, the government
9 calls Kenneth Hodge.

10 MR. HENDRICK: Face the clerk and raise your
11 right hand, please.

12 (Witness sworn.)

13 THE WITNESS: I do.

14 THE CLERK: Thank you.

15 Have a seat, please.

16 THEREUPON, KENNETH HODGE, having been duly
17 sworn, testified as follows:

18 DIRECT EXAMINATION

19 BY MR. WALKER:

20 Q. Good afternoon, sir.

21 Could you please state and spell your name for
22 the court reporter.

23 A. Kenneth Hodge, K-e-n-n-e-t-h, H-o-d-g-e.

24 Q. And, Mr. Hodge, if you can lean a little closer
25 to the microphone so the members of the jury can hear

1 you.

2 A. Okay.

3 Q. Mr. Hodge, what do you do for a living?

4 A. A technical support specialist.

5 Q. What do you as a technical support specialist?

6 A. I support the hardware and software in a school
7 system right now.

8 Q. And what school system is that?

9 A. Prince William County.

10 Q. How long have you worked there?

11 MR. SIMMS: Objection, relevance.

12 MR. WALKER: Your Honor, his technical
13 background is relevant for purposes of the data
14 migration work.

15 THE COURT: All right. Objection overruled.

16 BY MR. WALKER:

17 Q. How long have you worked there?

18 A. Five years.

19 Q. Prior to working at Prince William County
20 Schools, what, if any, other experience did you have
21 doing computer work?

22 A. I have approximately 30 years in the field. I
23 started off at EDS and then went to Errols (phonetics)
24 and then Fannie Mae.

25 Q. Could you briefly describe your educational

1 background for the jury?

2 A. High school, college and technical school.

3 Q. Do you have any certifications?

4 A. Currently, no.

5 Q. Mr. Hodge, do you know an individual named James
6 Bedford?

7 A. Yes.

8 Q. How do you know him?

9 A. I met him in Lamaze class when my son was being
10 born.

11 Q. How long have you known Mr. Bedford?

12 A. Twenty-four years.

13 Q. I want to direct your attention now to 2010.

14 In 2010, did you have an opportunity to work for
15 Mr. Bedford?

16 A. Yes.

17 Q. How did you first come to work for Mr. Bedford?

18 A. I think we were talking and he asked, did I want
19 to do some side work.

20 And I said, "Yes."

21 Q. How did you first get started with the work?

22 A. Um, he -- he brought it over to my house, some
23 laptops, and instructed me on what he wanted done, and
24 that was it.

25 Q. What instructions did Mr. Bedford provide you on

1 what he wanted done?

2 A. Um, basically, he wanted me to re-save some Excel
3 and Word files on the laptop.

4 Q. In addition to the Word and Excel files, were
5 there PDFs involved as well?

6 A. Yes, there were.

7 Q. What, if anything, were you told to do with the
8 PDFs?

9 A. On some of the files, he did want them converted
10 using a PDF Converter.

11 Q. How did the PDF Converter get onto the laptops
12 you were using to convert the files?

13 A. I installed it.

14 Q. Based on the experience you have working with
15 computers, was there anything that appeared to be unique
16 about the PDF Converter you were using?

17 A. No. It was off-the-shelf.

18 Q. Were you provided any instructions other than
19 those you just described?

20 A. No.

21 Q. Were you asked to run a virus scan on the files?

22 A. No.

23 Q. Were you asked to check for malware?

24 A. No.

25 Q. What was your understanding of the point of the

1 work you were asked to do?

2 A. I actually didn't understand it.

3 Q. To your knowledge, what were you accomplishing by
4 re-saving the files?

5 A. Nothing other than changing the date on the file.

6 Q. Mr. Hodge, where were you when you performed the
7 work?

8 A. In my house.

9 Q. What, if any, specialized knowledge did the work
10 seem to require?

11 A. None.

12 Q. Were you applying any of your 30-plus years of
13 specialized computer knowledge?

14 A. No.

15 Q. Mr. Hodge, were you paid for your work?

16 A. Yes.

17 Q. Were you paid a salary per file or per hour?

18 A. Per hour.

19 Q. What was your hourly rate?

20 A. It started off at \$25 per hour, and halfway
21 through I think it went up to 30.

22 Q. How did you keep track of your hours?

23 A. My wife actually kept track.

24 Q. And did your wife prepare invoices for your work?

25 A. Yes, she did.

1 Q. Who were those invoices submitted to?

2 A. To Team America.

3 Q. Who specifically were they submitted to at Team
4 America?

5 A. James Bedford.

6 Q. Were you ultimately paid for your work?

7 A. Yes.

8 Q. Were you paid by Mr. Bedford personally or by his
9 business?

10 A. We were paid by his business.

11 Q. And what business was that?

12 A. Team America.

13 Q. How were you paid?

14 A. By check.

15 Q. How would you obtain those checks?

16 A. He would bring it over to my house.

17 MR. WALKER: One moment, Your Honor.

18 (Pause.)

19 Nothing further.

20

21 CROSS-EXAMINATION

22 BY MR. SIMMS:

23 Q. Good afternoon, Mr. Hodge.

24 Mr. Hodge, do you know Raushi Conrad?

25 A. No.

1 Q. Okay. Have you ever seen him before?

2 A. No.

3 Q. Did Mr. Bedford ever mention Raushi Conrad to
4 you?

5 A. No.

6 Q. Okay. You stated that you have somewhat of a
7 technical background when it comes to computers and
8 software, right?

9 A. Yes.

10 Q. When Mr. Bedford explained the process to you,
11 you said you really didn't understand what he was
12 talking about?

13 A. Correct.

14 Q. Okay. Did you -- why didn't you ask him
15 questions?

16 A. I did question him, and I was told to re-save the
17 file, the procedures again.

18 Q. Okay. And then you submitted your hours to him?

19 A. Correct.

20 Q. Okay. And did you know that he was contracting
21 with the government?

22 A. Um, I think he may have mentioned one time that
23 it was Department of Commerce, yes.

24 Q. Okay. And did you trust him -- you trusted him
25 to accurately submit your work and your hours, correct?

1 A. Yes.

2 MR. SIMMS: No further questions.

3 MR. WALKER: Your Honor, may the witness be
4 excused?

5 THE COURT: Yes.

6 You can step down, sir.

7 (Thereupon, the witness withdrew from the
8 stand.)

9 THE COURT: Close enough.

10 Ladies and gentlemen, we're going to take
11 the luncheon recess now until 2:00 p.m. Please do not
12 discuss the case. Don't permit the case to be discussed
13 in your presence.

14 Leave your notes in the jury deliberation
15 room.

16 We'll resume at 2 o'clock. Thank you.

17 (Jury not present.)

18 THE COURT: In the old days, Judge Bryant
19 was rumored to have said, "If you run out of witnesses,
20 then you rest." I'm not quite that rigid, but I do want
21 to keep the schedule.

22 MR. WALKER: We will, Your Honor.

23 THE COURT: Thank you.

24 (Court recessed at 12:57 p.m. and reconvened
25 at 2:02 p.m.)

1 THE COURT: I apologize for the delay.

2 Mr. Hendrick, you can bring our jury out.

3 MR. HENDRICK: Yes, sir.

4 (Jury present.)

5 THE COURT: You may be seated.

6 All right. Counsel, you may proceed.

7 MR. BURKE: Your Honor, the government calls
8 Bina Martin-Giles.

9 MR. HENDRICK: Face the clerk. Please raise
10 your right hand.

11 (Witness sworn.)

12 THE WITNESS: Yes.

13 THE CLERK: Thank you.

14 Have a seat, please.

15 THEREUPON, BINA MARTIN-GILES, having been
16 duly sworn, testified as follows:

17 DIRECT EXAMINATION

18 BY MR. BURKE:

19 Q. Good afternoon.

20 Could you state your name and spell it for the
21 court reporter.

22 A. Yes. My name is Bina Martin-Giles. My first
23 name is Bina, B- like in boy -i-n- for Nancy -a. Last
24 name hyphenated, Martin, M- like in Mary -a-r-t- for
25 Thomas -i-n for Nancy, hyphen, G- for George -i-l-e-s

1 for Sam.

2 Q. Ms. Martin-Giles, what do you do for a living?

3 A. I -- my husband and I own our own business.

4 Q. I'm sorry. I couldn't hear your answer.

5 A. My husband and I own our own business.

6 Q. What's the name of your business?

7 A. Reliable Rails, Inc.

8 Q. What kind of company is Reliable Rails?

9 A. We're a wrought iron rail company.

10 Q. Does Reliable Rails provide information
11 technology consulting services?

12 A. No, sir.

13 Q. Does it sell computer expertise?

14 A. No, sir.

15 Q. Does it sell computer consulting?

16 A. No.

17 Q. Ms. Martin-Giles, are you familiar with a man
18 named James Bedford?

19 A. Yes.

20 Q. How do you know James Bedford?

21 A. Through a company called Team America.

22 Q. How did you first come to meet Mr. Bedford?

23 A. I knew -- I knew some people that worked with --
24 that had another company, Diamond Management, Diamond
25 Management Group, or Diamond Management Utilities, and

1 then they also had a company, Team America. Mr. Bedford
2 joined Team America at some point.

3 Q. And you had known the other people involved in
4 that -- in that company, Team America?

5 A. Yes. Yes.

6 Q. And that's how you came to know Mr. Bedford?

7 A. Yes.

8 Q. Ms. Martin-Giles, I'd like to direct your
9 attention now to the summer of 2010.

10 In the summer of 2010, were you asked to do some
11 work for James Bedford?

12 A. Yes.

13 Q. What type of work were you asked to perform?

14 A. Um, I thought it was going to be data entry.

15 Q. What type of work did it turn out to be?

16 A. It turned out to be, um -- well, we worked with a
17 laptop, and it was, um -- we would click over on the
18 left, or he would, and move some -- like a
19 click-and-drag, a click-and-drag type of effort on the
20 laptop.

21 Q. What kind of training, if any, did you receive
22 from James Bedford in doing this work?

23 A. He worked with me. When I would go in to work, I
24 would sit with him and he would basically do the work,
25 because I didn't understand what it was I was supposed

1 to do.

2 Q. What physically were you doing?

3 A. He would click and drag, and then he would tell
4 me -- point, and tell me where to, "Click here and drag
5 here."

6 Q. Aside from clicking and dragging files, was there
7 anything else you were doing?

8 A. No.

9 Q. Ms. Martin-Giles, did you prepare an invoice for
10 the work that you did?

11 A. Yes.

12 Q. With the assistance of the court security
13 officer, if I could ask you to turn to Government
14 Exhibit 10-1.

15 MR. BURKE: And, Your Honor, 10-1 has been
16 admitted. May we publish it?

17 THE COURT: Yes.

18 THE WITNESS: Yes.

19 BY MR. BURKE:

20 Q. Ms. Martin-Giles, what is Government Exhibit
21 10-1?

22 A. I beg your pardon?

23 Q. What is Government Exhibit 10-1?

24 A. It's an invoice with my name on it, from Team
25 America, for data services for -- excuse me -- 40 hours,

1 at a rate of \$23, and the amount paid was 920.

2 Q. And did that invoice accurately reflect the
3 number of hours you worked?

4 A. Yes.

5 Q. Does it accurately reflect how much you were
6 paid?

7 A. Yes.

8 Q. Were you, in fact, paid?

9 A. Yes.

10 Q. What company paid you?

11 A. Team America.

12 Q. Ms. Martin-Giles, have you received any degree or
13 other formal education in the field of computer science?

14 A. No.

15 Q. Do you have any specialized computer
16 certifications?

17 A. No.

18 Q. Do you have any formalized computer-related
19 expertise?

20 A. No.

21 Q. Do you have any specialized training relating to
22 dealing with computer viruses?

23 A. No.

24 Q. Ms. Martin-Giles, when a computer problem arises
25 in your job at Reliable Rails, how do you handle it?

1 A. I have an IT person in place.

2 Q. And you call that person?

3 A. Yes.

4 MR. BURKE: Nothing further from this
5 witness, Your Honor.

6 THE COURT: All right.

7 CROSS-EXAMINATION

8 BY MR. SIMMS:

9 Q. Good afternoon, Ms. Giles.

10 A. Hi.

11 Q. Ms. Giles, do you know Raushi Conrad?

12 A. Who?

13 Q. Raushi Conrad?

14 A. No.

15 Q. Okay. Have you ever seen this gentleman seated
16 right here (indicating)?

17 A. No.

18 Q. Okay. Have you ever heard the name Raushi Conrad
19 before today?

20 A. I believe I've seen something on the Internet.

21 Q. Okay. Now, in terms of your payment from
22 Mr. Bedford, how did you receive payment?

23 A. I believe by check. It's been some time ago.

24 Q. Okay. And how would you get that check?
25 Would you pick it up?

1 A. Oh, no. It was probably mailed, I -- I can't
2 recall.

3 Q. Okay. How did you submit your invoices?

4 A. I -- I believe it was by e-mail.

5 Q. E-mailed it to him?

6 A. I believe.

7 Q. Okay. And on your invoice you would put a
8 certain amount of hours, correct?

9 A. Yes.

10 Q. And as you stated, that -- those amount of hours
11 accurately reflected the amount of work that you did?

12 A. Yes.

13 Q. Okay. You were aware that Mr. Bedford was
14 submitting information to the government to receive
15 payment, correct?

16 A. I would imagine, yes.

17 Q. Okay. Did you know that he was lying on invoices
18 that he submitted to the government?

19 A. Absolutely not.

20 Q. And at the time that you were giving him your
21 hours, you trusted him to accurately reflect what you
22 worked, right?

23 A. Yes.

24 Q. Okay.

25 MR. SIMMS: Thank you. No further

1 questions.

2 MR. BURKE: No redirect, Your Honor.

3 May the witness be excused?

4 THE COURT: You're free to leave. Thank you
5 for coming today?

6 THE WITNESS: Thank you.

7 (Thereupon, the witness withdrew from the
8 stand.)

9 MR. WALKER: Your Honor, the government
10 calls Wray Jones to the stand.

11 MR. HENDRICK: Face the clerk. Raise your
12 right hand, please.

13 (Witness sworn.)

14 THE WITNESS: I do.

15 THE CLERK: Thank you.

16 Have a seat, please.

17 THE COURT: You may proceed.

18 THEREUPON, WRAY JONES, having been duly
19 sworn, testified as follows:

20 DIRECT EXAMINATION

21 BY MR. WALKER:

22 Q. Good afternoon, ma'am.

23 Could you please state and spell your name for
24 the court reporter.

25 A. My name is Wray Jones; W-r-a-y, J-o-n-e-s.

1 Q. Ms. Jones, where do you work?

2 A. The Department of Veterans Affairs.

3 Q. What is your title at the Department of Veteran
4 Affairs?

5 A. I'm a program manager.

6 Q. What does your role as a program manager entail?

7 A. I run the Purchase Car Program with the
8 Department of Veterans Affairs.

9 Q. Could you describe your educational background?

10 A. I have about 26 credits in accounting.

11 Q. I want to shift gears and talk about an
12 individual named James Bedford. Do you know
13 Mr. Bedford?

14 A. I do.

15 Q. How do you know him?

16 A. As a friend.

17 Q. How long have you known Mr. Bedford?

18 A. I met him in 2001.

19 Q. Have you ever worked for Mr. Bedford?

20 A. Yes, I did.

21 Q. When did you work for Mr. Bedford?

22 A. January, February of 2011.

23 Q. How did you first come to work for Mr. Bedford?

24 A. I -- we relocated -- my husband and I relocated.
25 He got a job in DC. And I came the 1st of January 2011

1 and met James back in 2001 through my brother, who lived
2 in Dumfries.

3 Q. How did you first get started with the work?

4 A. We were at his house visiting, and I told him I
5 needed a job, asked if he had any work for me to do.

6 And he said, "Yes."

7 Q. And when you say "he," who is it that you're --

8 A. I'm sorry --

9 (Simultaneous speaking.)

10 Q. -- referring to?

11 A. -- Mr. Bedford.

12 Q. Can you say that one more time?

13 A. Mr. Bedford.

14 Q. Where did you first get started with the work?

15 A. I was trained in his home office, in
16 Mr. Bedford's home office.

17 Q. And where is that located?

18 A. In Dumfries.

19 Q. What happened when you were at Mr. Bedford's
20 residence?

21 A. He showed me -- in the office, he showed me how
22 to convert a document.

23 Q. And what exactly was it that he showed you?

24 A. To take a file, drop it in this PDF Converter,
25 and then it either came out as a PDF file or a Word

1 document, one or the other.

2 Q. About how long did this instruction last?

3 A. I don't know. About 30 minutes.

4 Q. During that time, did Mr. Bedford explain the
5 purpose of the work?

6 A. No.

7 Q. Were you asked to do anything with the files
8 other than what you just described?

9 A. No.

10 Q. Were you ever asked to run a virus scan on the
11 files?

12 A. No.

13 Q. Were you ever asked to check the files for
14 malware?

15 A. No.

16 Q. Before Mr. Bedford hired you to perform the work,
17 what, if anything, did he ask you about your knowledge
18 of computers?

19 A. Only if I knew how to work a computer.

20 Q. Where were you physically when you performed the
21 work?

22 A. In my home.

23 Q. Were you ever asked to check your work for
24 accuracy?

25 A. No.

1 Q. What, if any, specialized knowledge did the work
2 seem to require?

3 A. None.

4 Q. Did the work seem difficult or complex to you?

5 A. No.

6 Q. About how long did you work for Mr. Bedford?

7 A. Maybe 40, 45 hours.

8 Q. Were you paid a salary for your work?

9 A. Yes.

10 Q. Were you paid per file or per hour?

11 A. Per hour.

12 Q. How did you keep track of your hours?

13 A. Just jotting it down on a piece of paper.

14 Q. And how was your hourly rate determined?

15 A. It was a base rate. I think it was 30 --
16 somewhere between \$30 and \$35 an hour.

17 Q. Were you ultimately paid for the work that you
18 did?

19 A. Yes.

20 Q. How were you paid for the work?

21 A. By check.

22 Q. What company, if any, paid you for your work?

23 A. Team America.

24 Q. And was there a specific individual in Team
25 America who paid you for the work?

1 A. I don't understand the question.

2 Q. Who at Team America were you dealing with when
3 you were doing the data migration work?

4 A. Mr. Bedford.

5 Q. Ms. Jones, have you received any degrees or
6 formal education in the field of computer science?

7 A. No.

8 Q. Do you have any specialized computer
9 certifications?

10 A. No.

11 Q. Do you have any formalized computer-related
12 experience?

13 A. No.

14 Q. Do you have any specialized training in dealing
15 with computer viruses?

16 A. No.

17 MR. WALKER: Nothing further, Your Honor.

18 CROSS-EXAMINATION

19 BY MR. SIMMS:

20 Q. Good afternoon.

21 A. Good afternoon.

22 Q. Now, you said you've known Mr. Bedford for
23 11 years?

24 A. I've known him since 2001, so 15 years.

25 Q. Fifteen years? Okay.

1 And you -- you considered him a friend?

2 A. Yes.

3 Q. Okay. And during those 15 years, you had
4 occasion to socialize with him and his family?

5 A. Yes.

6 Q. Okay. Did you know that Mr. Bedford was using
7 the hours that you submitted, and other people's hours,
8 to lie and steal from the government?

9 A. No, I didn't.

10 Q. Okay. Have you heard that before today?

11 A. No, I haven't.

12 MR. SIMMS: Thank you.

13 No further questions.

14 MR. WALKER: No redirect, Your Honor.

15 May the witness be excused?

16 THE COURT: You're free to leave. Thank you
17 for coming.

18 THE WITNESS: Thank you.

19 (Thereupon, the witness withdrew from the
20 stand.)

21 MR. BURKE: Your Honor, the government calls
22 Ronald Rolfe.

23 MR. HENDRICK: Face the clerk. Please raise
24 your right hand.

25 (Witness sworn.)

1 THE WITNESS: I do.

2 THE CLERK: Thank you.

3 Have a seat, please.

4 THEREUPON, RONALD D. ROLFE, having been duly
5 sworn, testified as follows:

6 DIRECT EXAMINATION

7 BY MR. BURKE:

8 Q. Sir, could you spell and state your name for the
9 court reporter.

10 A. My name is Ronald Dale Rolfe, R-o-n-a-l-d,
11 D-a-l-e, R-o-l-f-e.

12 Q. Mr. Rolfe, where do you work?

13 A. I work for the U.S. Department of Commerce,
14 downtown in DC, for the Bureau of Industry and Security.

15 Q. How long have you worked for the Bureau of
16 Industry and Security at the Department of Commerce?

17 A. Twenty-eight years.

18 Q. Do you work -- you said you worked in the Bureau
19 of Industry and Security. What's your title there?

20 A. I'm a licensing officer and engineer in the
21 Nuclear Missile Technology Division.

22 Q. Could you briefly describe what your duties as a
23 licensing officer and an engineer?

24 A. Primary work is to process export licenses for
25 higher-end technology and materials being exported out

1 of the United States that may have detrimental effects
2 if handed over to the wrong party that wishes to do
3 something with it; many industrial goods and items like
4 that. They are commodities that can be used for good
5 and bad things.

6 Q. Mr. Rolfe, are you familiar with a man named
7 Raushi Conrad?

8 A. Yes, I am.

9 Q. Do you see Raushi Conrad in the courtroom?

10 A. Yes, sir. He's right there (indicating) in the
11 white shirt.

12 Q. Could you be more specific?

13 A. The white shirt with the black spotted tie, with
14 the glasses.

15 MR. BURKE: Your Honor, we would ask that
16 the record reflect that the witness has identified the
17 defendant.

18 THE COURT: So noted.

19 BY MR. BURKE:

20 Q. Mr. Rolfe, during the time that you and the
21 defendant both worked at the Bureau of Industry and
22 Security, did you come to have an understanding of the
23 defendant's job duties?

24 A. I'm sorry?

25 Q. Did you come to have an understanding of the

1 defendant's job duties?

2 A. Oh. Yes. He worked for the IT Department.

3 Q. And what were your -- what was your understanding
4 what he did there?

5 A. He did various projects for IT and was involved
6 in -- by the way it was designed, as needed, depending
7 upon the nature of the work, there were various clusters
8 in our IT Department, and he was involved in certain
9 sections of it.

10 Q. Let me ask you to focus now on 2010 and 2011.

11 During that time, did you come to learn of an
12 effort to migrate some of the BIS's electronic files
13 from one computer network to another?

14 A. Yes, sir.

15 Q. And what did you understand this project to
16 entail?

17 A. A contamination in the data required it to be
18 scanned, cleared and moved from one memory system to
19 another to get rid of that virus in the system.

20 Q. And who did you understand to be in charge of
21 this data migration effort?

22 A. Contacting our IT Department, I learned that --

23 Q. Let's -- let's --

24 A. Oh.

25 Q. -- stick to things that -- let me rephrase the

1 question.

2 What, if anything, did the defendant say to you
3 about his role in the data migration project?

4 A. He was the sole individual in charge of it.

5 Q. Now, in your day-to-day job duties at the Bureau
6 of Industry and Security, what types of files do you
7 need to access?

8 A. All sorts of files, a variety of word processing,
9 Excel spreadsheets, PowerPoint, large data files with a
10 great deal of back information on past case processing.

11 Q. And when this data migration effort occurred, did
12 you request that those types of files be transferred
13 from the infected network to the new network?

14 A. Yes, I did.

15 Q. To whom did you submit this request?

16 A. To Raushi Conrad.

17 Q. Why did you submit it to Raushi Conrad?

18 A. As was understood, he was the sole person in
19 charge of it. Therefore, I went to the person in
20 charge.

21 Q. Now, let's focus for a minute on your files that
22 you specifically asked to be transferred from the old
23 network to the new network.

24 Can you describe to the jury how well the file
25 transfer process worked?

1 A. It was rather ineffective. You were able to view
2 the files, but they had no functionality as you
3 previously had.

4 Q. Describe what you mean by "no functionality."

5 A. It was like viewing a picture book. You had --
6 the word processing wouldn't allow you to adjust it,
7 correct it. You couldn't pull material from expel --
8 Excel spreadsheets, or manipulate files that you wanted
9 to correct or update.

10 Q. And what other types of problems, if any, did you
11 observe with respect to your own files?

12 A. The -- what I hoped were data transfer issues, I
13 found that data was corrupted, paragraphs were missing.
14 It was disconcerting because we were at times starting
15 from scratch. A long document, you wouldn't know where
16 parts were missing in it, because the transfer mechanism
17 did not seem to function.

18 Q. Now, sir, with respect to your own files, did
19 this -- was this an isolated problem or was it more
20 widespread?

21 A. No. Naturally, I would check with others.
22 Nobody was --

23 Q. Let's stick with your files?

24 A. None of my files seemed to be working well or
25 were able to be updated or adjusted.

1 Q. Now, sir, without -- without getting into the
2 content of what other people told you, did you speak to
3 other people about their experiences?

4 A. Yes, I did.

5 Q. What, if anything, did you convey to the
6 defendant about the quality of the work being done on
7 the data migration project?

8 A. That it was unsuitable. There was nothing I
9 could do with my files, and they -- the formats did not
10 work so I could not manipulate them as I had before.

11 Q. Was this a communication that you had once, or
12 was it multiple times?

13 A. A number of times. I spoke to him -- I visited
14 him upstairs and I sent e-mails to him.

15 Q. Did you -- what did you say, if anything, to the
16 defendant about the scope of the problem?

17 A. It -- it appeared to be rather extensive. I was
18 unfamiliar with anybody getting updated, repaired files
19 working, just as I had none.

20 Q. Did you convey to the defendant communications
21 you had with other people?

22 A. Yes.

23 Q. And what did you convey to the defendant about
24 what you had learned from other people?

25 MR. SIMMS: Objection, hearsay.

1 MR. BURKE: Offered for the effect on the
2 listener, Your Honor.

3 THE COURT: Sustained.

4 MR. BURKE: Your Honor, may we approach?

5 THE COURT: You're talking about my ruling?

6 MR. BURKE: Yes, Your Honor.

7 THE COURT: No. Keep going.

8 BY MR. BURKE:

9 Q. Mr. Rolfe, did you ever communicate your concerns
10 to the defendant in an e-mail?

11 A. In -- I'm sorry?

12 Q. In an e-mail?

13 A. Yes, I did.

14 Q. With the assistance of the court security
15 officer, I'd ask you to now please turn to Government
16 Exhibit 102.

17 A. Yes, sir.

18 Q. What is Government Exhibit 102?

19 A. It is an e-mail that I sent to Raushi Conrad, and
20 which he responded and then I responded back.

21 Q. And what day did you send this e-mail to the
22 defendant?

23 A. Last date was March 14th, 2011.

24 MR. BURKE: Your Honor, we move to admit
25 Government Exhibit 102. It goes to the defendant's

1 knowledge of the extent of the problem.

2 THE COURT: Received.

3 MR. BURKE: Now, if we could publish the
4 bottom portion of the first page, Ms. Sandvig.

5 THE WITNESS: Oh. Did you wish me to read
6 it?

7 MR. BURKE: Hold on just a moment, sir.

8 THE WITNESS: Okay.

9 MR. BURKE: The bottom portion of the first
10 page.

11 BY MR. WALKER:

12 Q. Mr. Rolfe, directing your attention to the bottom
13 portion of this first page of Government Exhibit 102,
14 the e-mail that you sent to the defendant on March 14th,
15 2011, at 10:38 a.m. -- are you looking at that?

16 A. Yes, I am.

17 Q. Now, sir, what did you say in your -- what did
18 you say to the defendant in the first sentence there
19 that begins with, "The promised magic..."?

20 A. "The promised magic transfer of people's
21 necessary documentation so they can do their work
22 doesn't seem to have happened to anyone locally I've
23 spoken to. And while I did provide a followup e-mail to
24 my first earlier one regarding the docs I wanted" -- "I
25 wanted transferred, I don't know where they went. It

1 seems like a lot of stuff has disappeared, especially
2 any BIS faith in IT."

3 Q. Now when you said here that a lot of stuff had
4 disappeared, what did you mean?

5 A. I could not find material that I had in my normal
6 filing methods on my compilation of files.

7 Q. And then, what did you write in the next sentence
8 beginning, "But, no matter..."?

9 A. "But, no matter, the BI system is now apparently
10 just a big library book as best, so I'm moving on."

11 Q. And then what did you tell the defendant in the
12 next sentence?

13 A. "Please transfer over my document folder that I
14 created, as you had requested for everyone to do. The
15 work isn't waiting and this colossal IT conversion snafu
16 is just making you guys look bad."

17 Q. Now, when you wrote that this was a big library
18 book at best, what did you mean?

19 A. It was viewable, but again, no functionality
20 existed to the documents. You couldn't process Excel,
21 or pull the material out or update spelling corrections,
22 or just update statistics.

23 Q. Sir, if I could direct your attention now to the
24 sentence that begins in the very bottom right corner of
25 this page with, "Assisting several others," do you see

1 that?

2 A. Yes, sir.

3 Q. What did you write to the defendant in that
4 sentence?

5 You may have to look at the paper version.

6 A. Oh.

7 "Assisting several others who needed certain
8 documents, and tried this out, resulted in plenty of
9 documents that were clearly missing data, corrupting the
10 data, distorting the format, which makes it better
11 to" -- for -- "to reconstruct documents from scratch,
12 again not giving IT any points in becoming an enormous
13 time consumer, when we're already busy as it is, not
14 exactly what you had indicated."

15 Q. And when you -- when you wrote to the defendant
16 about missing data, corrupting the data, or badly
17 distorting the format, what were you talking about?

18 A. Again, documents that I was familiar with,
19 paragraphs would be missing, words would disappear in
20 sentences. It became very unreadable. And you had no
21 faith in the original document that you had being
22 correct without going through, in some regards,
23 extensive documentation to check everything over again.

24 Q. Mr. Rolfe, after you sent this defendant -- this
25 e-mail to the defendant, did the quality of the work

1 improve?

2 A. No, sir.

3 Q. So, what did you do, if anything, to try to fix
4 the problem?

5 A. It -- I was led to having to reconstruct, rather
6 painfully, sections that I needed and were most critical
7 to the nature of my work.

8 THE COURT: Come to sidebar, please.

9 (Thereupon, the following sidebar conference
10 was had:)

11 THE COURT: What is it you wanted to ask me?

12 MR. BURKE: Your Honor, I think we
13 will abide by your ruling and move on. I don't intend
14 to further ask about the question that I -- that I
15 intended to address. We'll move on.

16 THE COURT: All right. Thank you.

17 (Thereupon, the sidebar conference was
18 concluded.)

19 MR. BURKE: Nothing further, Your Honor.

20 THE COURT: All right.

21 CROSS-EXAMINATION

22 BY MR. SIMMS:

23 Q. Good afternoon.

24 A. Good afternoon.

25 Q. Sir, you worked in the -- in a division within

1 the Department of Commerce?

2 A. Worked in --

3 Q. Which division did you work?

4 A. Oh. The Nuclear Missile Technology Division.

5 Q. And how many individuals worked in that unit or
6 division with you?

7 A. At the time, probably twelve.

8 Q. Twelve of you. Okay.

9 And out of those twelve people, are you familiar
10 with how many people had to -- or requested file
11 conversion?

12 A. All -- all parties in the bureau had files, were
13 requested to consolidate a particular set size of their
14 necessary files for conversion to update and clearing it
15 and passing it forward. So of the hundred licensing
16 officers, I believe in the divisions, everybody had to
17 do that.

18 Q. Okay. You say there were over a hundred?

19 A. I believe so.

20 Q. Okay. So --

21 A. Maybe more.

22 Q. -- maybe a hundred license users.

23 And when you said -- well, to gather a certain
24 amount of files, there was a 250-file limit that was
25 placed on the license users, correct?

1 A. You would have to consolidate a set volume in
2 data and have that converted. So you have to select out
3 what was your most desired material.

4 Q. Okay. And so there was a -- there was a
5 limitation on the amount of files that were going to be
6 converted, right?

7 A. Correct.

8 Q. And Mr. Conrad set that limit, right?

9 MR. BURKE: Objection, calls for
10 speculation.

11 THE COURT: Sustained.

12 BY MR. SIMMS:

13 Q. Do you know who set that file limit?

14 A. Do I know --

15 Q. Who set the 250 file --

16 A. No, I do not know who set the size of the files.

17 Q. But, you -- you did testify earlier that
18 Mr. Conrad was in charge of the process?

19 A. He was as fully -- by what I was aware, only the
20 person to contact because he was in charge of it, yes.

21 Q. So, we have 100 people, a 250-file limit.

22 Now, when we say "files," these files can include
23 one page or it could be 500 pages, correct?

24 A. These were not really page files, but amount of
25 data that you were allowed to transfer. Individuals had

1 extensive records that went back 15, 20 years or more,
2 and some were very detailed in the way that they kept
3 records, as many of the licensing officers and others in
4 the bureau aside from them. All these had to be cleaned
5 up.

6 Q. Okay. So it was an extensive amount of data?

7 A. It was a great deal of data, yes. And you had to
8 discern what was your best to pick up and -- and move
9 forward.

10 Q. Okay. Now, you contacted Mr. Conrad in March of
11 2011, correct?

12 A. Yes.

13 Q. All right. And that was right after BIS had
14 completed phase one of the migration project, right?

15 A. I believe so.

16 Q. Okay. So, your division was on the front end of
17 a second phase while they were also going live with the
18 first phase.

19 A. "Going live with the first phase"?

20 Q. Yes. The first phase was being completed and
21 implemented, and your division was under a second phase.

22 MR. BURKE: Objection, calls for
23 speculation.

24 THE COURT: If you would lay some foundation
25 and demonstrate relevance, Mr. Simms.

1 MR. SIMMS: Okay.

2 BY MR. SIMMS:

3 Q. What was your understanding -- did you have an
4 understanding of the different phases of the data
5 migration project?

6 A. The -- as we were informed --

7 THE COURT: Personal knowledge first,
8 Mr. Simms; a foundation.

9 MR. SIMMS: Okay.

10 BY MR. SIMMS:

11 Q. Do you have personal knowledge about the phases
12 of the migration project?

13 A. To a degree.

14 Q. Okay. And I want you to only speak about your
15 personal knowledge about that.

16 A. The -- as we were informed, corruption in the
17 data, I believe it was per -- due to a virus, led to
18 necessary transfer of all of your useful files over, and
19 that they would move it in stage by stage as the part of
20 a process to a cleaned up data file that you could work
21 from there forward. So, they were upgrading the systems
22 and transferring this data forward and cleaning up what
23 you had in the process.

24 Q. Okay. And so, that was phase one.

25 A. I -- if they called it stage one? Perhaps.

1 Q. Okay. Now, the files that you contacted
2 Mr. Conrad about -- and this is, once again, in March
3 2011, right?

4 A. Uh-huh.

5 Q. Are you -- do you know when the data migration
6 project -- do you have personal knowledge when it began,
7 the time period?

8 A. I don't know the exact timetable that it began,
9 no.

10 Q. But in any event, it wasn't until March of 2011
11 that you sent this e-mail complaining to Mr. Conrad?

12 A. Yes, I -- and there were other e-mails, and --
13 that I had sent. We -- I wished to know when this thing
14 was really happening, because you -- obviously, for
15 various tools and documentation you need on a daily
16 basis, you would like them to be available to you; so,
17 the sooner the better.

18 Q. Okay. And in the e-mail that was shown to you,
19 Mr. Conrad is responding to your e-mail about the --
20 your complaints, correct?

21 A. Yes, he was.

22 Q. All right. And at times, you got a little
23 condescending with him in your response, didn't you?

24 A. As did he.

25 Q. Now, in terms of the data migration, not all of

1 your files were unusable, were they?

2 A. All of the files that you had major recorded
3 material was -- was pretty unusable, yes.

4 Q. No --

5 A. I ended up rebuilding it.

6 Q. I'm asking you about all of your files. Every
7 file that you submitted for a conversion or migration,
8 were they all messed up?

9 A. All the files in that section that he was
10 converting, yes.

11 Q. Okay. And how many files were there?

12 A. That's really hard to say. It was a great deal
13 of historical data, jurisdictional issues, travel
14 issues. It was a lot of material, probably, I don't
15 know, ten, fifteen years worth of material.

16 Q. Okay. And you have a pretty technical division,
17 correct?

18 A. Yes, I do.

19 Q. All right. And some of the concerns that your
20 division had probably weren't involved in other people's
21 divisions.

22 MR. BURKE: Objection --

23 THE WITNESS: No, that's --

24 MR. BURKE: -- calls for --

25 THE WITNESS: -- that's not true --

1 THE COURT: Just a second. Just a second,
2 sir.

3 Mr. Simms?

4 MR. SIMMS: I'll withdraw the question.

5 THE COURT: All right.

6 BY MR. SIMMS:

7 Q. Did your division rely heavily on Excel data
8 worksheets?

9 A. Rely on?

10 Q. Did your division rely heavily on Excel
11 worksheets?

12 A. Many people use them, yes. It's a very solid
13 mechanism for compiling various lists, and that's not
14 uncommon.

15 Q. And did you, yourself, rely on the Excel
16 worksheets?

17 A. I used some, yes.

18 Q. Okay. Now, in your Excel worksheets there are
19 certain tabs, that may be Workbook 1, Workbook 2.
20 What's the average size of the workbooks that you had in
21 some of those Excel sheets?

22 A. Well, they're all now defunct, and that was 2010.
23 I can't recall right off.

24 MR. SIMMS: No further questions.

25 THE COURT: All right.

REDIRECT EXAMINATION

BY MR. BURKE:

Q. Mr. Rolfe, the e-mail that you testified to on direct, is that the only time you complained to the defendant about the poor quality of the work?

A. No, I -- I find that if nobody complains, nothing gets done. So, I would contact him, call him and, as I said, I would go up to the sixth floor and visit, check to see directly.

MR. BURKE: Nothing further.

THE COURT: May the witness be excused?

MR. BURKE: For the government, yes.

MR. SIMMS: Yes, Your Honor.

THE COURT: You're free to leave, sir.

Thank you for coming.

(Thereupon, the witness withdrew from the stand.)

MR. WALKER: Your Honor, the government calls Gerard Horner.

MR. HENDRICK: Face the clerk. Please raise your right hand.

(Witness sworn.)

THE WITNESS: Yes.

THE CLERK: Thank you.

Have a seat, please.

1 THE COURT: You may proceed.

2 THEREUPON, GERARD HORNER, having been duly
3 sworn, testified as follows:

4 DIRECT EXAMINATION

5 BY MR. WALKER:

6 Q. Sir, could you please state and spell your name
7 for the court reporter.

8 A. First name Gerard, G-e-r-a-r-d, last name Horner,
9 H-o-r-n-e-r.

10 Q. Mr. Horner, where do you work?

11 A. U.S. Department of Commerce, Bureau of Industry
12 and Security.

13 Q. How long have you worked at BIS?

14 A. Since October 2006.

15 Q. And what's your job title there?

16 A. I'm currently director of the Office of
17 Technology Evaluation.

18 Q. In layman's terms, can you generally describe
19 what your role as director of the Office of Technology
20 Evaluation entails?

21 A. I oversee all the activities of the office. In
22 particular, we are a data mining office. We use data to
23 inform policy decision and measure the health and
24 competitiveness of the U.S. industrial base.

25 Q. Mr. Horner, do you know an individual named

1 Raushi Conrad?

2 A. I do.

3 Q. How do you know Mr. Conrad?

4 A. Mr. Conrad worked in our Office of the Chief
5 Information Officer, years ago, and provided support for
6 our office as a business office and IT solutions.

7 Q. Do you see Mr. Conrad in the courtroom today?

8 A. Yes, I do.

9 Q. Could you please identify him by where he is
10 sitting and what he is wearing?

11 A. Here (indicating), white shirt, dark tie.

12 MR. WALKER: Your Honor, may the record
13 reflect that the witness has accurately identified the
14 defendant?

15 THE COURT: So noted.

16 BY MR. WALKER:

17 Q. During the time you and the defendant worked
18 together, did you form an understanding of what his role
19 was at BIS?

20 A. I did.

21 Q. And what was that?

22 A. Supporting business -- program offices, like our
23 own in the Office of Technology Evaluations, with IT
24 support, IT solutions.

25 Q. And when you say "IT solutions," what are you

1 referring to when you said "IT"?

2 A. Information technology.

3 Q. Mr. Horner, was there a project at BIS involving
4 migrating files from an old system to a new system?

5 A. Yes.

6 Q. What was your understanding as to why the
7 migration was necessary?

8 A. My understanding is the old system or old network
9 that the information was on became compromised and
10 needed to be outdated (sic) and the information needed
11 to be moved over to -- over to a new network that was
12 not compromised.

13 Q. Were some of your files among the files that were
14 going to be transferred?

15 A. Yes.

16 Q. Generally speaking, what types of files would you
17 have needed to access to perform the day-to-day
18 operations of your job?

19 A. As a data mining office, many of the files were
20 Microsoft Excel files, and we also created many
21 PowerPoint, which are files to make presentations from.

22 Q. Were those the type of files that you had
23 transferred?

24 A. They were.

25 Q. What was your understanding of what, if any, role

1 the defendant had in the data migration project?

2 A. My understanding is that he was our point of
3 contact in ensuring that the files were moved over to
4 the new system.

5 Q. Based on your understanding of the project, what
6 was your expectation as to how your files were supposed
7 to appear on the new system?

8 A. Since we created them in the old system, when
9 they were moved to the new system, my expectations is
10 that what we had in the old system would be mirrored
11 when they came to the new system.

12 Q. And when you say "mirrored," what do you mean?

13 A. Identical.

14 Q. And what was your understanding as to how the
15 formatting of your files that were transferred was
16 supposed to look?

17 A. The formatting would be identical.

18 Q. What was your standing -- understanding as to how
19 your old files were supposed to function on the new
20 network?

21 A. They would function identically.

22 Q. With that in mind, I want to turn your attention
23 now to how your files actually appeared on the new
24 system. Could you describe for the members of the jury
25 what, if any, problems you had with your files that were

1 transferred.

2 A. The details -- I don't know how well you know
3 Microsoft Excel, but in Microsoft Excel there are rows
4 and columns. There are functions. A lot of the labels
5 on the rows and the columns were missing. Many of the
6 functions, such as a normal summing up a column of
7 values, those functions didn't work. And then within a
8 particular file, you could have many workbooks or many
9 worksheets, and a lot of those worksheets were not
10 labeled either.

11 Particular to PowerPoint presentations, many of
12 our PowerPoint presentations had a master template,
13 "master template" meaning it had the Department of
14 Commerce, Bureau of Industry and Security background to
15 it. So every time you create a PowerPoint presentation,
16 your background looks the same.

17 The new -- in the new system, those templates
18 were not there. It was just the text.

19 Q. Did you communicate the issues that you were
20 having with your files to the defendant?

21 A. I did.

22 Q. How did you communicate those concerns?

23 A. Most of them, e-mail.

24 Q. With the assistance of Mr. Hendrick, I would like
25 you to please take a look at what has been marked for

1 identification as Government Exhibit 103.

2 A. Okay.

3 Q. Do you recognize Government Exhibit 103?

4 A. I do.

5 Q. What is it?

6 A. E-mail from myself to Mr. Conrad.

7 Q. The two e-mails at the top of this chain, what
8 date were those sent?

9 A. The Wednesday, February 23rd, 2011.

10 MR. WALKER: Your Honor, at this time the
11 government moves to admit and publish Government
12 Exhibit 103.

13 THE COURT: It may be admitted and you may
14 publish it.

15 BY MR. WALKER:

16 Q. I want to direct your attention, Mr. Horner, to
17 the top of the -- the top e-mail chain dated
18 February 23rd. Do you see that?

19 A. I do.

20 Q. Who is the sender of that e-mail?

21 A. Myself.

22 Q. And to whom did you send this e-mail?

23 A. Mr. Conrad, with a courtesy copy to other members
24 of my office.

25 Q. Why was it that you sent the defendant this

1 e-mail?

2 A. I was not happy with the quality of the files
3 that were moved.

4 MR. WALKER: Ms. Sandvig, can we blow up the
5 second paragraph of the e-mail?

6 BY MR. WALKER:

7 Q. Mr. Horner, could you read the second paragraph
8 of that e-mail you sent to the defendant, that starts
9 with, "In addition..."

10 A. "In addition, I don't know who you got to move
11 the Excel files from OTE's" -- which is the Office of
12 Technology Evaluations -- "S drive to CAI, but most of
13 them are not formatted correctly, missing spreadsheet
14 labels, et cetera. We need each of these files moved
15 again and formatted correctly. It would be impossible
16 for us to clean them up."

17 Q. Mr. Horner, just to be clear for the members of
18 the jury, when you say "OTE's S drive" in this e-mail,
19 what are you referring to there?

20 A. The network drive for the Bureau of Industry and
21 Security export administration was the S drive. And
22 within that S drive, my own particular program office
23 had a directory dedicated to our files. And so the OTE
24 was the directory specifically named for it.

25 Q. And when you reference files from OTE's S drive

1 being moved to CAI, what's CAI?

2 A. So, CAI was the new, non-compromised network that
3 the files were being migrated to, moved to.

4 Q. Well, in that paragraph where you tell the
5 defendant that most of the files are not formatted
6 correctly and missing spreadsheet labels, were those
7 some of the problems that you were describing earlier
8 for the jury?

9 A. Yes, sir.

10 Q. And the fact that the files were not formatted
11 correctly and missing spreadsheet labels, was that a
12 problem for you?

13 A. Yes, very much.

14 Q. Why?

15 A. Again, anyone that has ever worked with a
16 Microsoft Excel file knows that if you've got a file
17 containing many values, and you can't tell what the
18 labels are, either in the rows or the columns, it's
19 almost impossible.

20 In addition, the -- many Excel files had pivot
21 tables associated with them, and if those -- if you
22 understand what a pivot table is, a pivot table actually
23 is a -- it's almost like a program within the Microsoft
24 Excel file that gives you specific data results. And
25 none of those pivot tables worked.

1 Q. Mr. Horner, after you sent this e-mail to the
2 defendant, what, if any, changes did you notice in the
3 quality of the files that were being transferred for
4 your office?

5 A. In the quality, none.

6 Q. Mr. Horner, with the assistance of the courtroom
7 security officer, I would ask you now to please take a
8 look at what has been marked for identification as
9 Government Exhibit 104.

10 Do you recognize Government Exhibit 104?

11 A. I do.

12 Q. What is that?

13 A. Another e-mail from myself to Mr. Conrad.

14 Q. Starting with the two e-mails at the bottom of
15 the chain, when were those sent?

16 A. First one is Monday, February 8th, 2011.

17 Q. I'm sorry. Did you say February 8th?

18 A. I'm sorry, February 28th, 2011.

19 Q. And what about the e-mail at the top of the
20 chain? When was that sent?

21 A. Tuesday, March 1st, 2011.

22 MR. WALKER: Your Honor, at this time the
23 government moves to admit and publish Government
24 Exhibit 104.

25 THE COURT: Received, and you may publish

1 it.

2 BY MR. WALKER:

3 Q. Mr. Horner, directing your attention to the top
4 e-mail in this chain, dated March 1st, 2011, do you see
5 that?

6 A. I do.

7 Q. Who sent this e-mail?

8 A. Myself.

9 Q. And to whom did you send it?

10 A. Mr. Conrad.

11 Q. Why did you send this e-mail?

12 A. It's clear that my frustration with the quality
13 of the data grew.

14 Q. What do you mean?

15 A. I was -- was really getting upset at the
16 performance of the -- of the condition of the Microsoft
17 Excel files.

18 Q. Mr. Horner, could you read for the members of the
19 jury that e-mail at the top of the chain that you sent
20 to the defendant?

21 A. "I don't think OCIO got a full return on your
22 investment. You paid for services that were not of
23 quality. There are several Excel files that are
24 completely worthless, money thrown away.

25 "Then we had everything nicely organized in a

1 file called 'files to transfer,' as instructed by you
2 all in the fall. The contractors only moved a portion
3 of those files. I think the contractor should redeliver
4 these files for free. Look in the contract and see if
5 any performance issues were noted. Thanks."

6 Q. In that first sentence, where you say, "I don't
7 think OCIO got a full return on your investment," what
8 is OCIO?

9 A. The Office of the Chief Information Officer.

10 Q. Is that within BIS?

11 A. It is.

12 Q. Is that the office within BIS where the defendant
13 worked?

14 A. It is.

15 Q. Based on your experience with the data migration
16 project specifically, why were you concerned that OCIO
17 did not get a full return on its investment?

18 A. I'm familiar with acquisitions and contracts.
19 So, my concern is that their performance of this
20 contract did not meet what was specified in the
21 contract, meaning we did not get a full return on our
22 investment.

23 Q. After you sent this e-mail to the defendant,
24 what, if anything, changed about the quality of the
25 files you were receiving?

1 A. None that I can remember.

2 Q. To your knowledge, did the quality of the work
3 improve at any point?

4 A. No. At certain points we just gave up.

5 Q. What do you mean when you say you just gave up?

6 A. One solution we had was we -- we just didn't use
7 the files that were moved any more.

8 MR. WALKER: Nothing further.

9 CROSS-EXAMINATION

10 BY MR. SIMMS:

11 Q. Good afternoon, Mr. Horner.

12 A. Good afternoon, sir.

13 Q. Mr. Horner, would it surprise you if you were
14 told that -- do you know who Eddie Donnell is?

15 A. Yes, I do.

16 Q. Okay. And who is he?

17 A. He was -- he's -- currently works in the Office
18 of Chief Information Officer.

19 Q. Okay. Would it surprise you if he testified
20 during this trial that the conversion project was
21 complete?

22 A. No, it would not.

23 Q. That would not surprise you? Okay.

24 And you're testifying today that it was not
25 complete?

1 A. Testifying it was not of quality.

2 Q. Okay. So, the job got done, just not a quality
3 job?

4 A. Correct.

5 Q. Okay. How many people -- well, actually, let me
6 refer your attention back to, I believe it's Government
7 Exhibit 104.

8 MR. SIMMS: If you could pull that up.

9 THE WITNESS: Uh-huh.

10 BY MR. SIMMS:

11 Q. In the middle section, there's discussion from
12 Mr. Conrad about 250 files.

13 A. Correct.

14 Q. What is -- was there a limit placed on files that
15 were going to be converted?

16 A. I believe it was the 250 files per person.

17 Q. Okay. Did Mr. Conrad talk to you about that?

18 A. He did.

19 Q. And tell me a little bit about the limit, the
20 250-limit conversion.

21 A. Each individual that wanted files transferred had
22 a limit of 250 files to transfer.

23 Q. Okay. Were there individuals that wanted more
24 than 250 files converted?

25 A. Yes, there were.

1 Q. Okay. And most of those individuals were denied
2 their request to get additional files converted, right?

3 MR. WALKER: Objection, Your Honor. Calls
4 for speculation.

5 THE COURT: Sustained.

6 BY MR. SIMMS:

7 Q. Do you know what happened with individuals that
8 wanted more than 250 files converted?

9 A. I don't.

10 Q. You don't? Okay.

11 Did you want more than 250 files converted?

12 A. We did.

13 Q. Okay. And did you get it?

14 A. I believe so -- we did for some.

15 Q. Okay. But not all?

16 A. No.

17 Q. Okay. How many people worked in your unit?

18 A. At the time, I'll estimate and say ten.

19 Q. Ten people. Okay.

20 And you would agree with me that one file doesn't
21 mean one piece of paper. It could be large amounts of
22 data or large amounts of documents, correct?

23 A. To me, one file meant one named file --

24 Q. Okay.

25 A. -- so, a Word file with a "doc" ending on it, or

1 an Excel file with an "xls" ending on it, a PowerPoint
2 file with a "ppt."

3 Q. So, for instance, one file could be entitled
4 "U.S. Constitution" and could be 200 pages long?

5 A. Correct.

6 Q. Okay. Now, your e-mail to Mr. Conrad occurred in
7 late February, early March of 2011, correct?

8 A. The -- which exhibit? Is this one?

9 Q. The e-mail that the government -- this would be
10 exhibit, once again --

11 A. 104?

12 Q. Yes.

13 A. Okay.

14 MR. SIMMS: If we could zoom out.

15 THE COURT: What portion are you referring
16 to, Mr. Simms?

17 MR. SIMMS: The top portion.

18 THE COURT: All right.

19 THE WITNESS: Okay.

20 BY MR. SIMMS:

21 Q. You agree with me that that e-mail is occurring
22 in the early parts of 2011?

23 A. March 2011.

24 Q. Okay.

25 A. Yes.

1 Q. And you would agree with me that Mr. Conrad is
2 attempting to work with you in resolving your issue?

3 Did he respond to you?

4 MR. SIMMS: If we can zoom out.

5 THE WITNESS: Well, in the e-mail of
6 February 28th, it's his response to me.

7 BY MR. SIMMS:

8 Q. And he's checking to make sure that items were in
9 their correct place to be transferred?

10 A. In the second part of this e-mail chain, it's
11 related to funding.

12 Q. Okay. And he's asking you about funding because
13 he says that the files that you're requesting weren't in
14 the S drive, I guess, is --

15 MR. WALKER: Objection, Your Honor. Calls
16 for speculation.

17 THE COURT: Overruled.

18 THE WITNESS: Could you repeat the question?

19 BY MR. SIMMS:

20 Q. What is he telling you in his response?

21 A. The first question down at the bottom, I was
22 looking for a specific file to be moved that was not
23 moved.

24 Q. And what's his response to you?

25 A. "Sure, but who is going to pay for it? These are

1 not actual files that will be updated and included in
2 the 250 files for a person. OCIO cannot move them
3 without funding."

4 Q. Now, your -- a lot of the files that you
5 discussed on direct and you're speaking about in an
6 e-mail, related to Excel files, correct?

7 A. Correct.

8 Q. And if Excel files were printed and scanned from
9 a paper source, would their functionality still exist?

10 A. No, they wouldn't.

11 Q. And did you ever see the statement of work in
12 the --

13 A. I did not.

14 Q. -- contract?

15 A. Did not.

16 Q. So, if the statement of work required for simply
17 scanning and printing of a document, would you
18 have had -- taken issue with that?

19 A. I would.

20 MR. WALKER: Objection, Your Honor.
21 Relevance.

22 THE COURT: Relevance, Mr. Simms?

23 MR. SIMMS: Your Honor, I think it goes
24 towards what was supposed to be done and what was done,
25 if it's in the statement of work.

1 THE COURT: What does it tend to prove or
2 disprove about bribery?

3 MR. SIMMS: I think, Your Honor, it tends to
4 show that Mr. Homer -- I'm sorry -- Mr. Horner is
5 complaining about things that weren't supposed to be
6 done according to the statement of work.

7 THE COURT: If you have some document you
8 want to show him, you can do that now.

9 Objection sustained.

10 BY MR. SIMMS:

11 Q. Mr. Horner, do you know of a way that an
12 individual can move an Excel file from one network to
13 another and keep its functionality?

14 MR. WALKER: Objection, Your Honor.
15 Relevance.

16 THE COURT: It sounds like we're getting
17 ready to litigate the contract. I don't think that's
18 why we're here.

19 Objection sustained.

20 MR. SIMMS: No further questions, Your
21 Honor. Thank you.

22 MR. WALKER: No redirect, Your Honor.
23 May the witness be excused?

24 THE COURT: You're excused, sir. Thank you
25 for coming.

1 THE WITNESS: Thank you.

2 (Thereupon, the witness withdrew from the
3 stand.)

4 MR. BURKE: Your Honor, the government calls
5 Kim Sins.

6 MR. HENDRICK: Face the clerk. Please raise
7 your right hand.

8 (Witness sworn.)

9 THE WITNESS: I do.

10 THE CLERK: Thank you.

11 Have a seat, please.

12 THE COURT: You may proceed.

13 THEREUPON, KIM SINS, having been duly sworn,
14 testified as follows:

15 DIRECT EXAMINATION

16 BY MR. BURKE:

17 Q. Good afternoon, ma'am.

18 What is your name?

19 A. Kim Sins.

20 Q. Could you spell that for the court reporter,
21 please?

22 A. K-i-m, S-i-n-s.

23 Q. Ms. Sins, where do you work?

24 A. Department of Commerce.

25 Q. And where within the Department of Commerce do

1 you work?

2 A. Bureau of Industry and Security.

3 Q. How long have you worked for the Department of
4 Commerce?

5 A. I've been there for 19 years.

6 Q. What is your position within the Bureau of
7 Industry and Security?

8 A. Currently, I am the chief information officer's
9 special assistant.

10 Q. Ms. Sins, let me direct your attention now to
11 2010. In 2010, were you working at the Bureau of
12 Industry and Security?

13 A. Yes.

14 Q. What was your position at the BIS in 2010?

15 A. At that time, I was the product assurance
16 manager.

17 Q. And could you describe in layman's terms what it
18 meant to be the product assurance manager?

19 A. So, BIS -- Bureau of Industry and Security --
20 produces applications, IT support services for the --
21 for the employees, and along with exporters and so on.

22 So, product assurance is to ensure that what we
23 are providing for our customers is what they need. It
24 meets their requirements and allows them to perform the
25 mission of the bureau.

1 Q. Now, what -- what components within the Product
2 Assurance Division did you oversee at the time?

3 A. At the time, any -- any new -- any new
4 requirements that came up for any kind of projects at
5 all. If -- if the export administration licensing side
6 of the house needed their application improved or needed
7 additional components added, if they needed some new
8 application or new -- new -- new requirement came up,
9 then we would -- we would develop and implement to meet
10 that need on the -- on the IT side, of what we could do
11 for services.

12 Q. Did the Bureau of Industry and Security have a
13 help desk?

14 A. Yes.

15 Q. And what role, if any, did you have with respect
16 to the help desk?

17 A. I oversaw the customer service part of the help
18 desk at that time.

19 Q. And what -- in layman's terms, what did the help
20 desk do?

21 A. The help desk supported our customers, which were
22 BIS employees and exporters, with any IT problem they
23 had, or request that they needed to have put in place
24 with them.

25 Q. Ms. Sins, do you know a man by the name of Raushi

1 Conrad?

2 A. Yes.

3 Q. Do you see Mr. Conrad in the courtroom?

4 A. Yes, I do.

5 Q. Could you point out where he's seated and what
6 he's wearing?

7 A. He's there at the table (indicating) in a white
8 shirt and black tie.

9 MR. BURKE: We would ask the record to
10 reflect the witness has identified the defendant.

11 THE COURT: So noted.

12 BY MR. BURKE:

13 Q. Ms. Sins, how do you know the defendant?

14 A. I worked with Raushi Conrad.

15 Q. Where did you work with him?

16 A. At the Bureau of Industry and Security.

17 Q. In 2010, what was the defendant's position within
18 BIS?

19 A. At that time he was director, and his
20 responsibilities were over the infrastructure and
21 security of our -- of the networks.

22 Q. And you said he was the director over
23 infrastructure and security?

24 A. Yes.

25 Q. What did -- what did his duties entail?

1 A. He had full authority, management, control
2 over -- for the -- the chief information officer's
3 network services, systems. He was operations -- he was
4 operational manager for all of that.

5 Q. Could you describe for the jury the defendant's
6 level of technical competence?

7 A. He was very technically competent. He had -- he
8 had worked in the field by that time, I think, at least
9 15 years and was able to build, build our
10 infrastructure, rebuild it from nothing. Our old
11 infrastructure had to be retired and he built the new
12 infrastructure.

13 Q. Was he knowledgeable about computers?

14 A. Yes.

15 Q. Was he knowledgeable about computer systems?

16 A. Yes.

17 Q. Was he good at his job?

18 A. Yes.

19 Q. Now, Ms. Sins, are you familiar with a computer
20 virus that infected the BIS's computer systems in 2006?

21 A. Yes.

22 Q. Very briefly, describe what happened.

23 MR. SIMMS: Objection, cumulative.

24 THE COURT: Sustained.

25 MR. BURKE: I'll move on, Your Honor.

1 BY MR. BURKE:

2 Q. Ms. Sins, are you familiar with the data
3 migration project?

4 A. Yes.

5 Q. Who was in charge of the data migration project?

6 A. Raushi Conrad.

7 Q. Can you describe the defendant's level of control
8 over the data migration contract?

9 A. He had full control over that.

10 Q. What do you mean when you said "he had full
11 control"?

12 A. He had control over the project. So, when you
13 said "the contract," it's actually the project. He had
14 full control over the project.

15 Q. Describe his control over the project.

16 A. He -- he developed how the users would provide
17 their files to him. He picked them up. He delivered
18 them to the contractor. He received them back, and then
19 put them back for the customer -- the users to access
20 them.

21 Q. Who was responsible for devising a process for
22 migrating the data?

23 A. The process for migrating the -- do you mean the
24 process that the contractor used to convert the files,
25 or do you mean the process of the files being --

1 provided from the user and back to the user?

2 Q. The process within BIS.

3 A. Raushi Conrad did that.

4 Q. And when -- when BIS employees needed files to be
5 transferred, who were they supposed to contact?

6 A. Raushi Conrad.

7 Q. And if the BIS employees had questions, who were
8 they directed to speak to?

9 A. Raushi Conrad.

10 Q. Who was responsible for deciding whether to use
11 an outside vendor?

12 A. Who decided to use an outside vendor?

13 Well, Raushi Conrad made the decision to use an
14 outside vendor.

15 Q. Who was the BIS's main point of contact with the
16 outside vendor?

17 A. Raushi Conrad.

18 Q. Now, at the time in 2010, did you know who the
19 outside vendor was?

20 A. No.

21 Q. Did you know how to contact that outside vendor?

22 A. No.

23 Q. If you needed to communicate with the vendor,
24 what did you do?

25 A. I -- I would communicate with Raushi Conrad or

1 the contracting officer. The -- the contracting
2 officer's technical representative. Sorry.

3 Q. Who within the BIS was responsible for verifying
4 that the vendor was doing the work correctly?

5 A. Raushi Conrad.

6 Q. And, Ms. Sins, you mentioned that in 2010, one of
7 your duties was overseeing the help desk. Is that
8 correct?

9 A. Yes.

10 Q. In that role, did you have an opportunity to
11 speak with BIS employees about their experiences with
12 the data migration project?

13 A. Yes.

14 Q. Did you talk to the defendant about what you
15 heard?

16 A. Yes.

17 Q. What did you relay to the defendant about the
18 quality of the work?

19 A. The BIS customers were very displeased with the
20 quality of the work.

21 Q. What -- what were you relaying to the defendant
22 specifically about --

23 A. I would tell him the specific user -- customers
24 that would call in with their complaints. I told him
25 exactly why they were unhappy, if the files would not --

1 if they were in their native format and had to be
2 converted to native format, then the files weren't
3 functional for them, so they could not perform their
4 activities with them.

5 If they were PDF version files that were provided
6 back to them, characters weren't legible and usable.
7 So -- I -- and I always gave him the user's name and
8 what the complaint was.

9 Q. How frequently did you convey complaints to the
10 defendant?

11 A. While it was going on, practically daily, while
12 we had the issues going on.

13 Q. Was this an isolated occurrence?

14 A. No.

15 Q. Did the complaints that you relayed to the
16 defendant ever stop?

17 A. No.

18 Q. When you told the defendant about these
19 complaints, the repeated complaints, what was his
20 response?

21 A. That he would take care of it.

22 Q. Now, Ms. Sins, if we could focus now on February
23 of 2011, in February of 2011 did your duties at the BIS
24 change?

25 A. Yes.

1 Q. How so?

2 A. At that time, I became the point of contact for
3 the -- for BIS interacting with the contract services
4 that we were receiving at that time; so, with the COTAR.

5 Q. How, if at all, did this change your involvement
6 with the data migration project?

7 A. Then at that time I became responsible for
8 ensuring, from the BIS side, that we were receiving the
9 services that we were paying for.

10 Q. And when you -- when you were responsible for
11 overseeing the project, what, if any, changes did you
12 attempt to make to the process?

13 A. I attempted to stop the document migration.

14 Q. What were the changes in the process, if any?

15 A. I -- I asked that if documents needed to be
16 migrated over, converted and migrated, that I be told
17 exactly what was needed, what was the count, and then
18 provide the information back to me when it was
19 completed.

20 Q. Why did you try to institute those changes in the
21 process?

22 A. The customers were so dissatisfied. They were
23 not getting the -- the documents they needed to perform
24 their jobs; daily complaints. It -- we weren't -- BIS
25 wasn't getting what they were paying for at the time.

1 It just -- the result wasn't quality.

2 Q. Now, ma'am, the new procedures that you attempted
3 to implement, were those new procedures actually
4 followed?

5 A. No.

6 Q. Why not?

7 A. They would -- there would be workaround -- if I
8 wasn't in the office, there would be an urgency to get
9 some documents migrated, converted, back and forth, and
10 so Raushi Conrad could go to the deputy chief
11 information officer at that time to get his approval, or
12 possibly somebody else, some other manager.

13 Q. When you say "workarounds," who was creating
14 these workarounds that you are describing?

15 A. Well, if I wasn't -- if I were out of the office,
16 then Raushi would go to somebody else and get their
17 permission to perform the work.

18 Q. Ms. Sins, after you became more involved in the
19 work, were you -- were you in contact with the vendor
20 directly?

21 A. No.

22 Q. Ma'am, even after you became involved or more
23 involved in the data migration project, did you continue
24 to have conversations with BIS employees about the
25 quality of the work?

1 A. Yes.

2 Q. Did you relay what you heard to the defendant?

3 A. Yes.

4 Q. What did you continue to relay to the defendant?

5 MR. SIMMS: Objection, hearsay.

6 MR. BURKE: Your Honor, goes to the
7 defendant's knowledge.

8 MR. SIMMS: Your Honor --

9 MR. BURKE: The defendant's knowledge of the
10 extent of the problem.

11 THE COURT: Overruled.

12 BY MR. BURKE:

13 Q. What did you continue to relay to the defendant?

14 A. So, what would happen is that managers and
15 offices would get their staff together to relay to me
16 exactly what was not available to them, either their
17 documents were not in the folder where it was supposed
18 to be after the conversion, the documents weren't
19 usable.

20 And so I would go to these customer meetings.
21 The manager of the office would make sure I had the
22 information. And that information, then, is what I
23 would convey back to Raushi.

24 Q. Ma'am, were the problems with the quality of the
25 work ever resolved?

1 A. No.

2 Q. Was the work ever completed to your satisfaction?

3 A. No.

4 MR. BURKE: Nothing further, Your Honor.

5 CROSS-EXAMINATION

6 BY MR. SIMMS:

7 Q. Good afternoon.

8 So, Ms. Sins, you said that when you had a
9 problem with the vendor, or wanted to communicate to the
10 vendor, you either spoke to Raushi or you would
11 communicate that concern to the COR?

12 A. To the -- yes.

13 Q. And who was that?

14 A. So, that's Kim Bryant.

15 Q. So, these are the two individuals, Raushi and Kim
16 Bryant, that you expressed --

17 A. Kim Bryant works for Naval -- SPAWAR, engineering
18 services. It's SPAWAR is the name of it, S-P-A-W-A-R.

19 Q. And you were having some general frustrations
20 with Kim Bryant, weren't you?

21 A. I did have some.

22 Q. Okay. Did some of those concerns include his
23 refusal to provide information on invoices?

24 A. I wanted detailed invoices.

25 Q. Okay. And were you able to get them from

1 Mr. Bryant?

2 A. I did not get those from Mr. Bryant.

3 Q. Okay. Did you receive information on BIS's burn
4 rate?

5 A. I did not receive timely information on the burn
6 rate.

7 Q. And what's the burn rate?

8 A. So, the burn rate is -- so what we -- how I would
9 use the burn rate is if -- if we had 500,000, that we
10 had to -- available to use in six months, let's say, my
11 burn rate, then, I'm going to watch and make sure that
12 in the six-month period, that that -- that the services
13 we're receiving will not exceed that.

14 So I'm watching monthly, weekly, sometimes daily,
15 how many hours the contractors are working and what --
16 how much money are they burning up as they work; so, the
17 burn rate.

18 Q. Okay. And you were unable to get this
19 information from Mr. Bryant?

20 A. I did not get that -- it was usually two months
21 behind what I needed. So -- I wanted realtime and it
22 was usually delayed six weeks to eight weeks, to get the
23 invoice.

24 Q. Did he ever give you explanation for that?

25 A. Yes. Mr. Bryant said that that was property

1 of --

2 MR. BURKE: Objection, hearsay.

3 MR. SIMMS: I'll move on.

4 THE COURT: Sustained.

5 BY MR. SIMMS:

6 Q. Mr. Conrad had a supervisor within BIS, didn't
7 he?

8 A. He had a supervisor, yes.

9 Q. Okay. Who was the supervisor?

10 A. Eddie Donnell.

11 Q. Okay. And Mr. Donnell would approve things so
12 Mr. Conrad could get them done, correct?

13 MR. BURKE: Objection, vague and calls for
14 speculation.

15 THE COURT: Sustained.

16 BY MR. SIMMS:

17 Q. Do you know the relationship, the working
18 relationship between Mr. Conrad and Mr. Donnell?

19 A. Yes.

20 Q. Okay. And in terms of project management, how
21 would that relationship play out?

22 MR. BURKE: Objection, vague and calls for
23 speculation.

24 THE COURT: Sustained.

25 Help me with how this deals with the fact --

1 the issue in this case, which is bribery or attempted
2 bribery. If you would focus on that, that would help
3 me.

4 MR. SIMMS: Okay. Your Honor, they're
5 trying to put Mr. Conrad out on an island --

6 THE COURT: Well, hold on. I'm going to
7 give you a chance to argue the case at the end. If you
8 have a focused question you want to ask this witness, go
9 ahead.

10 MR. SIMMS: Okay.

11 BY MR. SIMMS:

12 Q. Did Mr. Donnell have knowledge of the migration
13 project?

14 A. Yes.

15 Q. Okay. And when Mr. -- when Mr. Conrad needed
16 approval for something with the migration project, who
17 did he go to?

18 MR. BURKE: Objection, speculation.

19 THE COURT: Sustained.

20 BY MR. SIMMS:

21 Q. Do you know who Mr. Conrad went to if he needed
22 approval for things with the migration project?

23 THE COURT: As it relates to personal
24 knowledge.

25 Lay a foundation, Mr. Simms.

1 BY MR. SIMMS:

2 Q. If you know, if you have a personal knowledge of
3 who Mr. Conrad would go to if he needed approval for
4 things with the migration project.

5 (Pause.)

6 If you don't recall, then, you don't recall.

7 Do you recall?

8 THE COURT: If you don't know, you don't
9 know.

10 Next question.

11 THE WITNESS: The way the question's
12 phrased, I don't know the answer to that.

13 MR. SIMMS: Okay.

14 BY MR. SIMMS:

15 Q. Do you know if Mr. Conrad answered to anybody in
16 regards to the migration project?

17 A. He had full control over the migration project.
18 I mean --

19 Q. And when you say "full control," can you expand
20 on what -- what does that mean?

21 A. So, there was a set amount of money that could be
22 used for the migration project, and he knew what that
23 limit was. And so he could -- he had control over the
24 migration project for that amount of money. And when
25 that money was gone, he could go and ask for more money

1 for more migration.

2 Q. And when you say "ask," who would he have to ask?

3 A. He would go to Eddie Donnell first.

4 Q. Okay. So he would go to his supervisor,
5 Mr. Donnell?

6 A. As far as I know, yes.

7 Q. Okay. So, he couldn't just spend freely whatever
8 money he wanted to; he had to go ask somebody for
9 additional funds?

10 A. Yes.

11 Q. Okay. Now, you talked about spending amounts.
12 Are you aware of any -- are you personally aware of any
13 limitation on the conversion of the files?

14 (Pause.)

15 The number of files that could be converted?

16 A. There was a set number. I don't remember the
17 number.

18 Q. Okay. Do you remember who came up with that
19 number?

20 A. I -- the number was based on what the cost was
21 going to be. And so, I believe the set number of files
22 was based on the cost. And it would have to be
23 management that would determine how much money they
24 could spend.

25 Q. Okay. So, management, not Mr. Conrad, would have

1 came up with that?

2 A. The amount of money, BIS would have had to
3 determine what money they had to spend for it.

4 Q. Now, you said you took over the help desk in fall
5 of 2010?

6 A. I don't remember the exact time I took over.

7 Q. Was it 2010 or 2011?

8 A. It was at least by 2010, maybe 2009. I don't
9 remember exactly when I took over that.

10 Q. Okay. So, at that point, the complaints would
11 have been coming to you exclusively?

12 A. The complaints were going to everybody, but, of
13 course, they came to me at that time because I was the
14 customer service for that.

15 Q. At that point, you essentially became
16 Mr. Conrad's supervisor.

17 A. No, I did not.

18 Q. Okay. Was there any point in time when you
19 became Mr. Conrad's supervisor?

20 A. Yes. It was September of 2011, sometime in that
21 timeframe.

22 Q. Okay. And you stated on direct that you did not
23 have any information about the vendor that was selected
24 in this case, right?

25 A. Right.

1 Q. Okay. And even though you were Mr. Conrad's
2 supervisor, why didn't you just ask him for a name and a
3 number?

4 A. By September, the -- by September 2011, the
5 migration -- our documents weren't -- September,
6 October, the document conversions had finally
7 practically ended as far as I know. I think that they
8 were out of money. I think the funding for that had
9 been expended, and so, more money would have had to have
10 been applied to, and I don't believe that happened. So
11 at that time when I became supervisor, it was no longer
12 a funded project.

13 Q. Let's talk about before you became a supervisor.
14 You would agree with me that you were very concerned
15 about some of the things you were hearing, right?

16 A. Yes.

17 Q. You were concerned about the complaints?

18 A. Yes.

19 Q. You were concerned about whether there was a
20 return on investment.

21 Did it ever occur to you just to ask Mr. Conrad
22 for the name of the vendor?

23 A. I did ask him.

24 Q. Okay. And what was his response?

25 A. He told me that this vendor had experience, and I

1 believe he said, doing this type of work for the Navy.

2 Q. Okay. But that didn't answer your question.

3 A. No, it didn't.

4 Q. Did you ask him again, "I need a name"?

5 A. I asked him how are they doing the -- how are
6 they doing the work? I'm product assurance --

7 Q. I'm sorry. I understand.

8 I'm asking you a specific question. Did you ask
9 him a name?

10 A. He did not give me a name. I asked him for a
11 name. I asked who it was, and he did not give me a
12 name.

13 Q. Okay. And when you asked him for a name, he gave
14 you their experience, did you say, "I understand, but I
15 want a name"?

16 Did you reask him for a name?

17 A. I asked him for the name. When he told me that,
18 I said, "What experience." I wanted to know what
19 experience.

20 Q. Okay. So, you began to focus on experience.

21 Did you ask for any contact information?

22 A. When you have a vendor working for you, you're
23 supposed to go through --

24 Q. I'm sorry, ma'am. I'm sorry. I'm just asking,
25 did you ask him for --

1 A. I would not --

2 Q. -- a telephone number?

3 A. -- do that, no. That's not appropriate. I
4 wouldn't do that.

5 Q. It's not appropriate, even though, as you see --
6 as you saw it, government funds were being wasted?

7 A. This was before I was the point of contact. When
8 you asked -- you asked me, was I concerned, did I ask
9 him for a name, that was before I was the point of
10 contact, before I was involved in -- having the right to
11 have a need to know. I approached managers. I
12 approached other people.

13 Q. What managers did you approach?

14 A. I approached Eddie Donnell and --

15 Q. Okay. Let's stop there.

16 So you approached Eddie Donnell, and you told him
17 about some concerns you had, correct?

18 A. Yes.

19 Q. Okay. And after that conversation, did you have
20 any concerns about Eddie Donnell's response?

21 MR. BURKE: Objection, irrelevant.

22 THE COURT: Sustained.

23 BY MR. SIMMS:

24 Q. Other than Mr. -- and when did you approach
25 Mr. Donnell?

1 A. The whole time I was receiving complaints, at
2 different times I discussed it with him.

3 THE COURT: Counsel, we'll take the
4 afternoon recess now for 15 minutes.

5 Thank you.

6 (Court recessed at 3:30 p.m. and reconvened
7 at 3:48 p.m.)

8 THE COURT: You can bring our jury out,
9 Mr. Hendrick.

10 MR. HENDRICK: Yes, sir.

11 (Jury present.)

12 THE COURT: You may be seated.

13 All right. Counsel, you may proceed.

14 MR. SIMMS: Thank you.

15 BY MR. SIMMS:

16 Q. I just have a couple for questions for you, okay?
17 Ms. Sins, have you ever served in a capacity of a
18 COR?

19 A. Yes.

20 Q. Okay. And what did you do in your capacity as a
21 COR?

22 MR. BURKE: Objection, irrelevant.

23 MR. SIMMS: I'm getting there, Your Honor.

24 THE COURT: Well, if you want to focus on
25 this case, then -- I don't know what "COR" means. I'm

1 not sure if the jury knows either.

2 So, what does that have to do with this
3 case?

4 MR. SIMMS: The process of which the -- the
5 process by which a vendor is selected. She testified on
6 direct about --

7 THE COURT: All right. If it's about the
8 process of how the vendor was selected in this case,
9 that would be relevant. If it's not, it's not relevant.

10 MR. SIMMS: Okay.

11 THE COURT: All right.

12 BY MR. SIMMS:

13 Q. On direct examination, Ms. Sins, you stated that
14 Raushi would have selected a vendor. Is that accurate?

15 A. Raushi would have recommended a vendor.

16 Q. Okay. Because Raushi, being in his role,
17 wouldn't have been the person to actually select a
18 vendor, would he?

19 A. Correct.

20 Q. Okay. Tridea would have been the individual that
21 would have selected the vendor.

22 MR. BURKE: Objection, calls for
23 speculation.

24 THE COURT: Sustained.

25 BY MR. SIMMS:

1 Q. How are -- who would have selected -- if you
2 know, who would have selected the subcontractor in this
3 case? If you --

4 MR. BURKE: Objection --
5 (Simultaneous speaking.)

6 THE COURT: The objection is foundation?

7 MR. BURKE: Foundation, calls for
8 speculation.

9 THE COURT: All right.

10 If you want to lay a foundation, Mr. Simms,
11 you can. If not, objection sustained.

12 MR. SIMMS: Okay.

13 BY MR. SIMMS:

14 Q. Are you familiar with how -- are you familiar
15 with Tridea?

16 A. Yes.

17 Q. Okay. And BIS has contracted with individuals
18 where Tridea was a prime, correct?

19 A. So, SPAWAR contracted Tridea to perform the
20 services for us.

21 Q. Okay. Now, the vendor in this case -- who would
22 have selected the vendor that was used? If you know.

23 MR. BURKE: Objection, calls for
24 speculation.

25 THE COURT: Sustained.

1 BY MR. SIMMS:

2 Q. So, just to clarify, when you stated that Raushi
3 selected the vendor --

4 A. I don't remember stating that Raushi selected the
5 vendor.

6 Q. Okay. So, Raushi didn't select the vendor?

7 A. I don't remember stating Raushi selected the
8 vendor. I don't think I said that.

9 Q. Okay. Let me ask you now, then. Did Raushi
10 select the vendor?

11 A. Raushi didn't select the vendor.

12 Q. Okay.

13 A. He --

14 Q. Thank you.

15 Now, also on direct, you talked about the -- the
16 process for the migration, and you stated that Raushi
17 would have been in charge of the process inside BIS,
18 correct?

19 A. Correct.

20 Q. Do you know who would have been in charge of the
21 process outside of BIS, the actual conversion process?

22 A. Um --

23 THE COURT: I thought you just asked her
24 this question about who did the work --

25 MR. SIMMS: No.

1 THE COURT: -- and that Mr. Conrad didn't
2 tell her the name of the person. I thought you asked
3 her that.

4 MR. SIMMS: I didn't.

5 THE COURT: You didn't ask her that?

6 MR. SIMMS: No. I'm not referring to the
7 name. I'm talking about whether it would be a vendor or
8 agent, not necessarily who it was in terms of the name.

9 THE COURT: Then I don't understand your
10 question.

11 Do you understand his question?

12 THE WITNESS: I don't understand.

13 BY MR. SIMMS:

14 Q. Would the --

15 THE COURT: Next question.

16 BY MR. SIMMS:

17 Q. Would the vendor be responsible for coming up
18 with the process?

19 MR. BURKE: Calls for speculation, Your
20 Honor. Objection.

21 THE COURT: Sustained.

22 BY MR. SIMMS:

23 Q. Who comes up with the process of the -- who came
24 up with the process of the migration outside of BIS?

25 MR. BURKE: Objection, asked and answered.

1 Calls for speculation.

2 THE COURT: Sustained.

3 BY MR. SIMMS:

4 Q. Ms. Sins, I'm going to refer your attention to
5 Defense Exhibit 71.

6 THE CLERK: Mr. Simms, you said 71?

7 MR. SIMMS: Yes.

8 THE CLERK: Thank you.

9 BY MR. SIMMS:

10 Q. And I'm going to ask you to go to page two. I
11 want to ask you to go towards the middle of the page.
12 And there's an e-mail from Kim Bryant. Do you see that?

13 A. Yes.

14 Q. And under "CC" it says "KimSins" -- or
15 "KSins@bis.doc. Is that you?

16 A. Yes.

17 Q. And there's also a Rob Moffett, CC'd?

18 A. Yes.

19 Q. And there's an individual by the name of
20 J. Bedford, also -- that e-mail is addressed to,
21 correct?

22 A. Yes.

23 Q. And when is this dated?

24 A. This is February 9th, 2011.

25 Q. Okay. And in this e-mail --

1 MR. BURKE: Objection, hearsay. She's not
2 the author of the e-mail. It's not a court statement.

3 MR. SIMMS: Your Honor, I'm not going for
4 the truth of the matter asserted, but knowledge.

5 MR. BURKE: Knowledge of who is not
6 relevant.

7 THE COURT: Who to do what?

8 MR. SIMMS: Knowledge of the vendor,
9 Mr. Bedford being the vendor, CC'd on the e-mail.

10 THE COURT: Well, you've already asked her
11 that question. If you lay a foundation, maybe you can
12 do it this way. But you can't cross-examine on somebody
13 else's e-mail --

14 MR. SIMMS: This is --

15 THE COURT: -- that she was CC'd on. She's
16 not the author of it.

17 MR. SIMMS: Okay.

18 BY MR. SIMMS:

19 Q. After reviewing this e-mail that is addressed to
20 J. Bedford, is it your testimony that you still didn't
21 know who the vendor was?

22 A. I see a --

23 THE COURT: He's not asking you -- he's not
24 asking you from reading the e-mail. He's asking you if
25 you remember the name.

1 THE WITNESS: So, when I see that this is
2 JBedford@TACC2, I don't know who that vendor is.

3 BY MR. SIMMS:

4 Q. Okay.

5 A. I assume --

6 THE COURT: No, don't assume.

7 Next question.

8 BY MR. SIMMS:

9 Q. Now, in this e-mail --

10 THE COURT: Are you still referring to
11 somebody else's e-mail?

12 BY MR. SIMMS:

13 Q. Did you ask Kim Bryant to send this e-mail?

14 A. I did not ask Kim to send the e-mail.

15 Q. Did you have a discussion with Kim Bryant shortly
16 before this e-mail was sent?

17 A. So --

18 THE COURT: Excuse me. He's just asking you
19 questions now -- excuse me. Ms. Sins, look at me.

20 He's asking you questions now. He's not
21 asking you to read the e-mail. He's just asking you
22 questions. Listen to his question. Okay?

23 BY MR. SIMMS:

24 Q. Did you have a conversation with Mr. Bryant
25 shortly before the e-mail was sent?

1 A. I had conversations with Mr. Bryant often.

2 Q. Okay. And prior to this e-mail being sent, was a
3 part of that conversation concerns --

4 THE COURT: Excuse me.

5 Ms. Sins --

6 (To the CSO) Move the notebook out of her
7 way.

8 (To the witness) He's not asking you about
9 the e-mail. He's just asking you questions about what
10 you remember. Okay?

11 THE WITNESS: Okay.

12 MR. BURKE: Objection, hearsay.

13 MR. SIMMS: I didn't even finish the
14 question.

15 THE COURT: Well, let's hear the question
16 again.

17 BY MR. SIMMS:

18 Q. So, the conversation that you had with Mr. Bryant
19 prior to this e-mail, were you addressing to him
20 concerns about the vendor?

21 A. I did address concerns about the migration
22 project that was going on.

23 Q. Okay. And then on that May 9th date you get an
24 e-mail, and you're CC'd on it, and it's from Mr. Bryant
25 to J. Bedford, correct?

1 A. I think it was February 9th.

2 What was the date?

3 Q. February 9th. I'm sorry.

4 THE COURT: Lean forward towards the
5 microphone. I can barely hear you.

6 THE WITNESS: Sorry.

7 Could you ask that question again?

8 BY MR. SIMMS:

9 Q. So, shortly after addressing your concerns with
10 Mr. Bryant about the vendor, you get an e-mail from
11 Mr. Bryant -- you're CC'd on it, and it's to J. Bedford,
12 right?

13 A. I -- my concern was about the migration project
14 and how that was going and the product that was being
15 produced. It wasn't about the vendor that I had a
16 conversation with Mr. Bryant about. It was about the
17 project that I thought was out of control and the
18 results were not usable by the BIS employees. I wasn't
19 complaining about a vendor.

20 Q. Okay.

21 A. I wanted the project under control.

22 Q. Okay. So, after reviewing that e-mail, what was
23 your understanding as to what was to happen with the
24 project?

25 A. I actually didn't read the e-mail just now, to

1 refresh my memory. I -- I need to read the e-mail, if
2 you want me to answer that.

3 Q. Okay. That's fine.

4 MR. SIMMS: Your Honor, if the witness can
5 refer to --

6 THE COURT: Well, there's no question
7 pending, so I don't know what she's looking at the
8 e-mail for.

9 MR. SIMMS: She said -- I asked her what was
10 her understanding of what was supposed to happen with
11 the migration work after this e-mail was sent.

12 She said she doesn't remember.

13 THE COURT: Okay.

14 You can let her see the e-mail now.

15 This is not for you to read from the e-mail.
16 This is to see if you can refresh your present
17 recollection, remind you of what you were thinking when
18 that happened.

19 THE WITNESS: Okay.

20 THE COURT: Okay?

21 (Witness reading exhibit.)

22 THE COURT: Does that help you remember?

23 THE WITNESS: Yes.

24 THE COURT: All right.

25 Ask your question now.

1 BY MR. SIMMS:

2 Q. So, what was your understanding of what was to
3 happen with the migration project after that e-mail was
4 sent?

5 A. It needed to -- it was going to stop. It was
6 going to have control. Funding was being used for other
7 projects in BIS, and the funding could not be dedicated
8 just for the migration project.

9 It needed to get control and stop, and not freely
10 just take files, hand them off, give them back, without
11 any oversight.

12 Q. And what was your understanding of who this
13 e-mail was being sent to?

14 A. It looked like it was being sent to a project
15 lead on the contractor side for the migration project.

16 Q. Now, did you ever speak with -- do you know who
17 Robert Moffett is?

18 A. Yes.

19 Q. And did you ever have any conversation with him
20 about the funding for the contract?

21 A. Yes.

22 Q. Did you ever have any conversation with Kim
23 Bryant about funding for the project?

24 A. Yes.

25 Q. How about Mr. Donnell?

1 A. Yes.

2 Q. Kathy Ossi?

3 A. I don't recall.

4 Q. Okay. And after this -- going back to this
5 e-mail from February 9th, 2011, did the migration work
6 actually stop at that point?

7 A. It did not.

8 Q. Okay. How much longer did it go on?

9 A. It went on, I believe, until the first part of
10 summer, middle summer, sometime around maybe July,
11 August, until absolutely no more funding was on it.

12 Q. Okay. And this is under your watch at this
13 point, because it's after this February 9th e-mail. At
14 this point, you're in charge?

15 A. No. I am the point of contact. Kim Bryant is
16 the COTR. So he is the contracting officer's technical
17 representative for the contracting officer.

18 So I'm simply the point of contact for BIS. It's
19 my responsibility, as that person, to ensure, best that
20 I can, that BIS is receiving the services that were paid
21 for.

22 Q. Okay. And still at this point you don't --
23 you're saying that you didn't know who the person was?

24 A. I did not know who the vendor -- I don't know who
25 this vendor is. I know this is -- now -- after that

1 time, I knew. I can't -- I was -- I came to know them
2 as TAC2, which also, I believe, could be referred to as
3 Team America Contracting, a construction-type company.
4 And that's what I understood who was performing this
5 work for BIS, technical work.

6 Q. That e-mail that I showed you, Mr. Conrad is not
7 CC'd on there, is he?

8 A. He is not.

9 Q. Okay.

10 MR. SIMMS: Thank you.

11 I have no further questions.

12 MR. BURKE: No redirect, Your Honor.

13 May the witness be excused?

14 THE COURT: Yes.

15 You're free to leave. Thank you for coming.

16 THE WITNESS: Thank you.

17 (Thereupon, the witness withdrew from the
18 stand.)

19 MR. WALKER: Your Honor, the government
20 calls Jian Mao.

21 MR. HENDRICK: Face the clerk. Please raise
22 your right hand.

23 (Witness sworn.)

24 THE WITNESS: Yes.

25 THE CLERK: Thank you.

1 Have a seat, please.

2 THE COURT: You may proceed.

3 THEREUPON, JIAN MAO, having been duly sworn,
4 testified as follows:

5 DIRECT EXAMINATION

6 BY MR. WALKER:

7 Q. Sir, could you please state and spell your name
8 for the court reporter.

9 A. My name is Jian Mao; last name, M-a-o, first
10 name, J-i-a-n.

11 Q. And, Mr. Mao, if you could move a little bit
12 closer to the microphone so the members of the jury can
13 hear you.

14 A. Okay.

15 Q. Where do you work?

16 A. I work for SIT Consultant, for many contracts for
17 federal government.

18 Q. Do you own or are you the president of any
19 company?

20 A. Yes. I'm the president of Notion Consulting.

21 Q. How long have you been the president of Notion
22 Consulting?

23 A. Since its beginning, 1997.

24 Q. What type of work does Notion do?

25 A. We -- we do IT information technologies,

1 consulting service. Most -- most clients are federal
2 government.

3 Q. Sir, could you briefly describe your educational
4 background for the jury?

5 A. I'm a doctor of philosophy in physics.

6 Q. And where did you receive your doctorate in
7 physics from?

8 A. University of Maryland at College Park.

9 Q. And in addition to your doctorate in physics, do
10 you have any other degrees?

11 A. Yes. I have a master and bachelor degrees.

12 Q. And are those degrees also in physics?

13 A. Yes.

14 Q. Let's walk the jury through your experience prior
15 to Notion Consulting. Prior to becoming a president of
16 Notion, what sorts of other jobs have you held in the
17 field of IT?

18 A. I worked as a senior engineer, principal engineer
19 and a senior technical advisor for Litton; Litton
20 Industries now part of Northrop Grumman.

21 Also --

22 Q. I'm sorry. Did you say Litton Industries?

23 A. Yes.

24 Q. And you said that was part of Northrop Grumman?

25 A. Yes.

1 And I also worked for EDS, now part of Hewlett
2 Packard, IT service.

3 Q. Earlier, you mentioned that Notion does IT
4 consulting. What, if any, governmental agencies does
5 Notion perform work for?

6 A. We did work for Department of Commerce,
7 Department of Labor, Department of Treasury, Department
8 of Defense, and the Smithsonian Institution.

9 Q. Has Notion ever performed work for the Bureau of
10 Industry and Security?

11 A. Yes, we did.

12 Q. When were you first hired to work for BIS?

13 A. I think it's in 2004.

14 Q. What were you initially hired to do for BIS?

15 A. I believe the first one is looking to the system
16 called the SNAP. It is the BIS -- the main application
17 to -- that allow export -- exporters to apply for export
18 license from the government.

19 Q. After you performed that initial work, did you
20 continue to work with BIS?

21 A. Yes. We worked at the BIS, you know, we did
22 architecture. We do software application development.
23 We designed, implement and operated infrastructure for
24 BIS.

25 Q. Dr. Mao, do you know an individual named Raushi

1 Conrad?

2 A. Yes, I do.

3 Q. Do you see him in the courtroom today?

4 A. Yes.

5 Q. If you could please identify him by where he is
6 sitting and what he is wearing.

7 A. He's right here (indicating). He is wearing a
8 white shirt.

9 Q. Could you be a little more specific than just the
10 white shirt?

11 MR. SIMMS: Your Honor, we agree he
12 identified the defendant.

13 THE COURT: So noted. Thank you.

14 The record will reflect he has identified
15 the defendant.

16 Thank you.

17 BY MR. WALKER:

18 Q. How do you know the defendant?

19 A. We used to work -- he's a government employee,
20 project manager, director of network and operation.

21 Q. And who is he -- who was he the director of
22 network and operations for?

23 A. He manages and supervise, I guess, contract like
24 us --

25 MR. SIMMS: Objection, speculation.

1 THE COURT: Only tell us what he knows.

2 BY MR. WALKER:

3 Q. Have you -- had you spoken to the defendant about
4 his job at BIS?

5 A. We worked daily, I guess. That's for several
6 years.

7 Q. And based on your working with him daily, what
8 was your understanding of what his job was?

9 A. He -- he's the government side supervisor for all
10 infrastructure-related projects, and also directs us in
11 terms of operational responsibility, like how to manage
12 the network and server infrastructure.

13 Q. In that role, would the defendant assign IT
14 projects to Notion?

15 A. He managed our project. That's when we provide
16 network and operational projects, any IT project like
17 that. He's government side lead.

18 Q. Dr. Mao, from 2010 to 2012, about how many Notion
19 employees were working to support BIS?

20 A. About -- I think about 30 to 35.

21 Q. Were those employees working on site at BIS?

22 A. Yes.

23 Q. Did they have offices at BIS?

24 A. Yes.

25 Q. Were you working on site at BIS during that time

1 period?

2 A. Yes.

3 Q. Did you have an office at BIS?

4 A. Yes.

5 Q. Where was your office located?

6 A. My office is in a suite right across the CIO's
7 suite, which -- so, I have a cubicle in that suite.

8 Q. When you say "CIO," what do you mean?

9 A. Chief information officer.

10 Q. Where was your office in relation to where the
11 defendant's office was?

12 A. About, maybe five office away.

13 Q. To your knowledge, was the defendant aware of
14 where your offices were located?

15 A. Yes. We meet very often.

16 Q. I want to take a step back and discuss the BIS
17 computer networks. Are you familiar with those
18 networks?

19 A. Yes. We helped to design and implement the
20 infrastructure, at least what they have right now.

21 Q. Is it the case that you actually designed the
22 networks? Is that what you said?

23 A. Yes. My team designed it. But as the program
24 manager and technical lead for Notion, I did review all
25 the deliverable, all the design.

1 Q. Let's talk about those networks. First, are you
2 familiar with the network called BECCI 2?

3 A. Yes.

4 Q. What is BECCI 2?

5 A. It's the BIS exporter control infrastructure
6 network.

7 Q. And what was the purpose of that network?

8 A. We were tasked to redesign it, after BIS learned
9 the IT system has been hacked and, you know, in
10 Washington Post. So, we help to redesign a secure
11 network for BIS.

12 Q. And is BECCI 2 an acronym?

13 A. Yes.

14 Q. Could you spell that for the jury?

15 A. B, like boy, E, like export, C, like control, C,
16 cyber -- infrastructure.

17 Q. Are you also familiar with a network called CAI
18 Moderate?

19 A. Yes.

20 Q. What was that network?

21 A. I think that's -- it's a compartmentalized
22 infrastructure or something like that.

23 Q. And what was the purpose of that network?

24 A. To make sure the application we develop it is
25 deployed in a secure infrastructure.

1 Q. Were users' files for BIS located on that CAI
2 network?

3 A. On CIA Moderate.

4 Q. You said a moment ago that you and your team
5 actually designed those new networks. Once you designed
6 the new networks, were you also responsible for
7 implementing those networks?

8 MR. SIMMS: Your Honor, I would object to
9 relevance.

10 THE COURT: Relevance.

11 MR. WALKER: Your Honor, it's absolutely
12 relevant because these are the very networks that the
13 data migration project was going onto.

14 THE COURT: Well, I guess we need to figure
15 out what it has to do with bribery and attempted
16 bribery. If you would focus a question that -- bearing
17 on that, that would help me.

18 So I sustain the objection.

19 BY MR. WALKER:

20 Q. As president of the company who designed,
21 operated and implemented the network, to your knowledge,
22 was the defendant aware of the fact --

23 MR. SIMMS: Objection, leading, speculation.

24 MR. WALKER: Your Honor, I asked the witness
25 if he was aware. If he wasn't aware, he is free to

1 answer.

2 THE COURT: He was, but a question that
3 suggests the answer is leading, Mr. Walker.

4 Objection sustained.

5 BY MR. WALKER:

6 Q. What, if any, conversations did you have with the
7 defendant about your creation of the network?

8 A. We -- we designed, implemented the network with
9 Mr. Conrad guiding us for requirements, review our
10 design, make sure we did the network to the common
11 satisfaction.

12 Q. Dr. Mao, are you familiar with data migration?

13 A. Yes.

14 Q. How are you familiar with that concept?

15 A. The -- in general, like a data migration, for
16 example, once we rewrote the application system for the
17 BIS, we actually migrate the -- all the data into the
18 new database, like a Oracle database, and we deploy it
19 in the new network infrastructure. So, it's secure
20 and operate correctly.

21 Q. So, have you ever performed data migration work
22 for BIS?

23 A. Yeah. Like all this application, we developed
24 it, we have to -- every time we have to migrate the data
25 associated with that application. Whether it's from

1 mainframe or from existing Legacy application, we move
2 the data and/or the -- you know, put it so the user can
3 access the data to that application on the new system.

4 Q. Were you working with the defendant when you did
5 perform that data migration?

6 A. Yes. He -- he make sure -- he is the government
7 side, to make sure all the application we deployed are
8 working properly. He's in charge of operation.

9 Q. Regarding the specific data migration project in
10 this case, were you familiar with that project?

11 A. This one you're talking about?

12 Q. Yes.

13 A. You're talking about the -- normally, there is
14 another portion of migration. It's a file system.
15 Normally, every --

16 THE COURT: It might help us if you focus on
17 the time, Mr. Walker.

18 MR. WALKER: Okay.

19 BY MR. WALKER:

20 Q. Directing your attention to approximately 2010,
21 2011 timeframe, are you familiar with the data migration
22 project that took place at that point?

23 A. Yes.

24 Q. At -- were you ever asked to submit a formal bid
25 on that work?

1 A. No.

2 Q. Were you ever asked to --

3 MR. SIMMS: Objection, leading.

4 THE COURT: Questions that suggest the
5 answer are leading.

6 Objection sustained.

7 BY MR. WALKER:

8 Q. What, if any, formal proposal were you ever asked
9 to come up with for that work?

10 A. We never -- I was not aware that there was a
11 request for proposal.

12 Q. What, if any, conversations did you have with the
13 defendant about that work?

14 A. I don't recall any much conversation with him.

15 Q. What, if any, formal written estimate were you
16 asked to provide for the project?

17 A. We never provide any formal written estimate.

18 Q. What, if any, knowledge, based upon your
19 interactions with him, did the defendant have about
20 Notion's capabilities to do computer work?

21 A. I think he really liked my team, many times told
22 me our engineers are excellent.

23 Q. What, if anything, did the defendant ask you
24 about the best approach to take on the data migration
25 work?

1 A. We were not really involved in that project.

2 Q. So, what, if anything, did he ask you about the
3 project?

4 A. I don't recall -- I don't -- I wasn't involved,
5 so I don't remember much about that.

6 Q. What, if anything, did he ever say to you about
7 the project at all?

8 A. I don't recall.

9 Q. Just to be clear for the jury, at the time the
10 data migration work was being performed, what, if any,
11 Notion employees were working at BIS?

12 A. Yes, we were all working at the BIS.

13 Q. Were those employees -- did that include you?

14 A. Yes.

15 Q. Were you working on site?

16 A. Yes.

17 Q. Dr. Mao, were you ever asked to perform the work?

18 MR. SIMMS: Objection, asked and answered.

19 THE COURT: Sustained.

20 BY MR. WALKER:

21 Q. Dr. Mao, if some other employee from Notion had
22 been asked to submit a bid for the data migration work,
23 as president of the company, what, if any, involvement
24 would you have had in that process?

25 MR. SIMMS: Objection.

1 THE COURT: It's better if you stand when
2 you object.

3 What's your objection, Mr. Simms?

4 MR. SIMMS: Sorry.

5 It goes to relevance.

6 THE COURT: All right.

7 MR. WALKER: Your Honor, it's relevant that
8 there was --

9 THE COURT: "What if"?

10 MR. WALKER: What, if anything, yes.

11 THE COURT: I sustain the objection.

12 BY MR. WALKER:

13 Q. To your knowledge, before the data migration
14 contract was awarded, who, if anyone, from your company
15 was asked to perform the work?

16 A. No one.

17 MR. WALKER: Nothing further.

18 CROSS-EXAMINATION

19 BY MR. SIMMS:

20 Q. Good afternoon.

21 Mr. Mao, do you have a business partner?

22 A. No. I didn't bring any.

23 Q. Okay. Do you know a Jun Wu (phonetics)?

24 A. Yes.

25 Q. Okay. And who is he?

1 A. He's my -- our company's senior vice-president.
2 He's the lead network engineer.

3 Q. Okay. So he's a vice-president and network
4 engineer?

5 A. Yes.

6 Q. Okay.

7 A. He work part-time, but it's a key employee,
8 technical guy, supporting -- supporting --

9 Q. Mr. Conrad?

10 A. Yes.

11 Q. Okay. So, he had more contact with Mr. Conrad
12 than you did?

13 A. Yes. I would -- for the detailed perform,
14 actually performing network work, yes, he should.

15 Q. You stated that at the time that the data
16 migration contract was started, around 2010, 2011, your
17 company was working at BIS, right?

18 A. Yes.

19 Q. Okay. And what was your company doing at BIS at
20 that time?

21 A. We actually cover several things: application
22 development and, you know, the -- supervisor is director
23 of system organization. We also support network and the
24 infrastructure design and the operation. The lead is
25 Conrad.

1 Q. Okay. And how many employees did you all have?

2 A. We have a total of about 30 to 34.

3 Q. And they're all were working on those aspects?

4 A. Yes.

5 MR. SIMMS: No further questions, Your
6 Honor.

7 MR. WALKER: Your Honor, may the witness be
8 excused?

9 THE COURT: Yes.
10 You're free to leave. Thank you for coming,
11 sir.

12 THE WITNESS: Thank you.
13 (Thereupon, the witness withdrew from the
14 stand.)

15 MR. BURKE: Your Honor, the government calls
16 Delaney Harris.

17 MR. HENDRICK: Face the clerk. Please raise
18 your right hand.

19 (Witness sworn.)

20 THE WITNESS: I do.

21 THE CLERK: Thank you.

22 Have a seat, Please.

23 THEREUPON, DELANEY HARRIS, having been duly
24 sworn, testified as follows:

25 DIRECT EXAMINATION

1 BY MR. BURKE:

2 Q. Good afternoon, sir.

3 What is your name?

4 A. Delaney Harris.

5 Q. Could you spell your name for the court reporter.

6 A. D-e-l-a-n-e-y --

7 THE COURT: Move closer to the microphone,
8 please.

9 THE WITNESS: D-e-l-a-n-e-y, H-a-r-r-i-s.

10 BY MR. BURKE:

11 Q. Mr. Harris, where do you work?

12 A. For myself.

13 Q. What's the name of your company?

14 A. Delaney Harris Heating and Cooling.

15 Q. What kind of work you do?

16 A. Heating and ventilation.

17 Q. How long have you operated your own company?

18 A. Right at 20 years or so.

19 Q. Mr. Harris, have you ever done work for a company
20 called Team America Contractors?

21 A. Yes, I have.

22 Q. What kind of work have you done for Team America?

23 A. Heating and contract -- heating and ventilation.

24 Q. Now, Mr. Harris, I would like to direct your
25 attention to the summer of 2011. In the summer of 2011,

1 what kind of work were you doing?

2 A. Heating and ventilation.

3 Q. And, at that time, were you an employee of Team
4 America?

5 A. Not at that time, no.

6 Q. What kind of relationship did you have, if any,
7 with Team America?

8 A. Just subcontract work from them.

9 Q. When you were an independent subcontractor or
10 subcontractor to Team America, who were your main points
11 of contact?

12 A. Glen Bertrand and Alice Bertrand.

13 Q. Now, in the summer of 2011, did there come a time
14 when you were directed to perform some work at a
15 residence?

16 A. Yes, sir.

17 Q. How did you first come to learn about this work
18 at a residence?

19 A. Glen Bertrand had called me and asked me if I
20 would take care of some work.

21 MR. SIMMS: Objection.

22 MR. BURKE: Coconspirator statement, Your
23 Honor.

24 THE COURT: It wasn't clear to me, the name.
25 Bertrand, is this male or female?

1 Is this the person who worked, allegedly?

2 MR. BURKE: Yes, Your Honor.

3 THE WITNESS: Yes, sir.

4 THE COURT: Objection overruled.

5 BY MR. BURKE:

6 Q. And what did -- what did Glen Bertrand say to
7 you, sir?

8 A. He asked me to -- would I do some work for him,
9 and I performed the work.

10 Q. Where, if anywhere, did Mr. Bertrand tell you to
11 go?

12 A. Uh --

13 Q. Physically, like what location?

14 A. Gainesville, Virginia.

15 Q. And where was this -- what was it that you were
16 going to?

17 Was this an office?

18 Was it a residence?

19 A. Residence.

20 Q. Whose residence what it?

21 A. Mr. Raushi here (indicating).

22 Q. Okay.

23 A. Raushi, yeah.

24 Q. When you say "Raushi," you're referring to the
25 defendant here?

1 A. Yes, sir. Uh-huh.

2 Q. Mr. Harris, did you in fact go to Mr. Conrad's
3 residence?

4 A. Yes, I did.

5 Q. And what timeframe was this?

6 A. Probably morning.

7 Q. And what time of year?

8 A. Probably right about now, May or June or
9 something, when it started getting warm.

10 Q. Summer of --

11 A. Summer.

12 Q. -- 2011?

13 A. Summer. Yeah. It was hot.

14 Q. When you arrived at the defendant's residence,
15 who was present?

16 A. Mr. Conrad was there.

17 Q. And what, if anything, did you observe about the
18 condition of the defendant's residence?

19 A. How nice it was.

20 Q. Specifically with regard to the basement, what,
21 if anything, did you observe?

22 A. How new and pristine it was, you know.

23 Q. Mr. Harris, when you arrived at the defendant's
24 residence, what, if anything, did you discuss with
25 Mr. Conrad?

1 A. His heating and ventilation. And we walked
2 around the basement area, showed me the bath and stuff
3 like that.

4 Q. He showed you a bath in the basement?

5 A. Uh-huh.

6 Q. Was it new?

7 A. Yes, brand new, yes.

8 Q. Sir, what, if any, work did you perform while you
9 were there?

10 A. I performed -- I repaired a system that was
11 attached to the home, heating and ventilation system.

12 Q. After you did that work, the repair of the
13 system, what, if any, conversation did you have with the
14 defendant about who would pay for that work?

15 A. It would be Team America Contracting.

16 Q. Did the defendant tell you that it would be Team
17 America that paid?

18 A. Yes, sir.

19 Q. Mr. Harris, with the assistance of the court
20 security officer, I'd ask you to please take a look now
21 at Government Exhibit 11.

22 A. Yes, sir. Uh-huh.

23 Q. Do you have Government Exhibit 11 in front of
24 you, sir?

25 A. Do I --

1 Q. Do you have Government Exhibit 11 in front of
2 you?

3 A. Yes, sir.

4 Q. What is Government Exhibit 11?

5 A. It's a purchase order from the work I performed.

6 Q. Did you prepare this purchase order near the time
7 you performed the work?

8 A. Yes, I did.

9 Q. Did you prepare it based on your knowledge of the
10 work you had performed?

11 A. Absolutely.

12 Q. Does it accurately reflect the work you
13 performed?

14 A. Yes, it does.

15 Q. And was it your regular practice to prepare
16 invoices such as this in the course of your duties?

17 A. Yes, it was.

18 Q. And were records like this kept in the course of
19 your regular business activities?

20 A. Yes, it was.

21 MR. BURKE: Your Honor, the government moves
22 to admit Exhibit 11.

23 THE COURT: Eleven will be received.

24 BY MR. BURKE:

25 Q. Now, sir --

1 MR. BURKE: May we publish Exhibit 11, Your
2 Honor?

3 THE COURT: Yes.

4 BY MR. BURKE:

5 Q. Now, Mr. Harris, if you could look at the paper
6 copy that's in front of you -- not on the screen, but
7 the paper.

8 A. Okay.

9 Q. The paper copy in front of you, is that -- is
10 that redacted or not redacted?

11 Is the address visible on the paper copy?

12 A. Yes, it is.

13 Q. Okay. Without reading the exact address, can you
14 tell us whose address that was?

15 A. Mr. Conrad's.

16 Q. Is that where you performed the work?

17 A. That's where I performed the work, yes.

18 Q. Sir, after you completed the purchase -- or this
19 purchase order that's marked as Government Exhibit 11 --

20 A. Uh-huh.

21 Q. -- who, if anyone, did you call?

22 A. I called Alice Bertrand and Glen Bertrand and
23 told them the work had been performed.

24 Q. Where, if anywhere, did you go after you finished
25 the work?

1 A. I went to Team America Contracting on Residency
2 Road and picked the check up.

3 Q. And if I could ask you now to turn to Government
4 Exhibit 21-7.

5 Your Honor, may we publish? This has been
6 admitted.

7 THE COURT: Yes.

8 THE WITNESS: Okay.

9 BY MR. BURKE:

10 Q. What is Government Exhibit 21-7?

11 A. It's a check.

12 Q. A check?

13 A. Yeah.

14 Q. A check for what?

15 A. For the contract work that I did for Mr. Conrad.

16 Q. Now, sir, where did you go to pick up this check?

17 A. Team America Contracting on Residency Road.

18 Q. Now, on the face of the check it says "Teresa
19 Walker." Could you explain to the jury why this says
20 "Teresa Walker" instead of "Delaney Harris"?

21 A. Yes, sir, I can. I was in between changing bank
22 accounts, and she was my fiance, and I asked them, could
23 they just write the check to her instead of me
24 because -- just transactions through the banks. You
25 know, we were changing banks.

1 Q. Mr. Harris, did the defendant, Raushi Conrad, pay
2 you for any of the work that you did at his house?

3 A. No, sir.

4 MR. BURKE: Nothing further, Your Honor.

5 CROSS-EXAMINATION

6 BY MR. SIMMS:

7 Q. Good afternoon, sir.

8 Sir, you performed this work in 2011?

9 A. Yes, sir.

10 Q. Okay. And you were interviewed by the government
11 about it in 2016?

12 You were first interviewed by the government
13 about it in 2016?

14 A. Yes, sir.

15 Q. Okay. So about five years, actually over five
16 years, after the work was completed?

17 MR. BURKE: Objection, relevance.

18 THE COURT: Sustained.

19 BY MR. SIMMS:

20 Q. Mr. Harris, how many units have you worked on
21 since visiting Mr. Conrad's house on that date?

22 MR. BURKE: Objection, irrelevant.

23 MR. SIMMS: May I respond, Your Honor?

24 THE COURT: Yes. I'm listening.

25 MR. SIMMS: Okay. Thank you. Your Honor,

1 it goes towards his ability --

2 THE COURT: Memory?

3 MR. SIMMS: Yes.

4 THE COURT: Okay. Ask it.

5 MR. SIMMS: Okay.

6 THE COURT: Objection overruled.

7 BY MR. SIMMS:

8 Q. You've installed numerous AC units since that
9 time, correct?

10 A. Thousands, yes.

11 Q. Okay. And how is it that you specifically
12 remember Mr. Conrad's unit?

13 A. Through the paperwork.

14 Q. Okay. So you don't have independent memory; it's
15 by looking at your records?

16 A. Do I -- say that again.

17 Q. You don't have independent memory; it's through
18 looking at your receipt, your invoice?

19 A. Oh, yeah, I do. My mind is clear. Yeah, very
20 clear.

21 Q. I think you have a clear mind. You seem very
22 sharp.

23 But I'm asking you, other than -- I asked you:
24 How do you remember Mr. Conrad's -- the work that you
25 did, and you said because of the invoice.

1 A. Well, I remember it clearly. Yeah. I don't know
2 what you're asking, but I remember it very clear.

3 Q. Okay. All right. Now, do you have a receipt
4 that you kept in your records for the unit that you
5 purchased?

6 A. Not with me, but I do have receipts on my
7 computer at home, yes.

8 Q. Okay. How do you get them on your computer on
9 home?

10 A. How do I get them on the computer at home? I
11 type them in.

12 Q. You type in a receipt?

13 A. Yeah. I just type it in and whose address it was
14 and where it was, yeah.

15 Q. Okay. So you don't have physical copies of the
16 receipt?

17 A. No, I don't keep them, no.

18 Q. Okay. And where did you get the unit from in
19 this case?

20 A. It wasn't a unit.

21 Q. Okay. Where did you get the parts from?

22 A. From the -- the -- I think his was actually from
23 a company called Johnstone Supply.

24 Q. Okay. And what -- do you know or are you just
25 thinking?

1 A. Well, I know.

2 Q. Okay. And what does the unit look like?

3 What is it?

4 A. Well, it's a box with a compressor and a fan on
5 it. It's kind of normal.

6 Q. Okay. And how did you transport it from the
7 retail location to Mr. Conrad?

8 A. We did not buy a unit, sir. It was just a
9 circuit board and a few other items.

10 Q. Okay. How do you wish me to address it?

11 A. Sir?

12 Q. How did you transport the circuit board?

13 A. In my --

14 MR. BURKE: Objection.

15 THE WITNESS: -- truck. In my truck, yeah.

16 BY MR. SIMMS:

17 Q. Was your wife with you?

18 THE COURT: Sustained.

19 I'd like very much for you to focus in on
20 the charges here, which are bribery or conspiracy to
21 commit bribery. If you would focus on that, that would
22 help me.

23 MR. SIMMS: Understood, Your Honor.

24 BY MR. SIMMS:

25 Q. Now, your wife's name is on the invoice and the

1 check. Was she with you when you installed the -- uh --

2 A. Yes, she was.

3 Q. And when you left Mr. Conrad's residence, you
4 said you went directly to Team America's office?

5 A. Yes. I called them and went directly to the
6 office, yes.

7 Q. Around what time was that?

8 A. During the day, or what -- be a little more
9 specific. What time it was? Day? Year?

10 Q. What time of day was it?

11 A. What time of day? It was probably -- I would say
12 1:00 or 2:00 in the afternoon.

13 Q. And do you recall what time you got to
14 Mr. Conrad's house?

15 A. Probably about 8:00 or 9:00 in the morning.

16 Q. And that conversation that you had with
17 Mr. Bertrand, did that happen the same day that you went
18 to Mr. Conrad's house?

19 A. No. It was the day before.

20 Q. Where is the place that you brought -- purchased
21 the unit from?

22 Where is it located?

23 MR. BURKE: Objection.

24 THE WITNESS: Gainesville, Virginia.

25 MR. BURKE: Objection.

1 THE COURT: Well, he actually answered that
2 question before the objection. So overruled.

3 MR. SIMMS: Thank you.

4 No further questions.

5 MR. BURKE: No redirect.

6 May the witness be excused?

7 THE COURT: You're free to leave, sir.
8 Thank you for coming.

9 THE WITNESS: Thank you.

10 (Thereupon, the witness withdrew from the
11 stand.)

12 MR. BURKE: Your Honor, the government calls
13 Quentin Powell.

14 MR. HENDRICK: Please face the clerk. Raise
15 your right hand.

16 (Witness sworn.)

17 THE WITNESS: I do.

18 THE CLERK: Thank you.

19 Have a seat, please.

20 THEREUPON, QUENTIN POWELL, having been duly
21 sworn, testified as follows:

22 DIRECT EXAMINATION

23 BY MR. BURKE:

24 Q. Good afternoon, sir.

25 What is your name?

1 A. Quentin Powell.

2 Q. Could you spell that, please?

3 A. Q-u-e-n-t-i-n, P-o-w-e-l-l.

4 Q. Mr. Powell, what do you do for a living?

5 A. Remodeler.

6 Q. I'm sorry?

7 A. I do remodeling work.

8 Q. Do you have a business?

9 A. Yes, sir.

10 Q. What's the name of your business?

11 A. Powell Contracting.

12 Q. You said you did remodeling. What kind of
13 remodeling work do you do?

14 A. I do electrical work and just interior
15 renovations.

16 Q. Could you scoot a little bit closer to the
17 microphone, sir, so we can hear you.

18 Thank you.

19 Mr. Powell, are you familiar with a man by the
20 name of Glen Bertrand, Senior?

21 A. Yes, sir.

22 Q. How do you know Mr. Bertrand?

23 A. I work for him as a subcontractor.

24 Q. You said that you work for him as a
25 subcontractor. As a subcontractor to what company?

1 A. Team America Contractors.

2 Q. Are you also familiar with a man named James
3 Bedford?

4 A. Yes, sir.

5 Q. How do you know James Bedford?

6 A. I was -- I worked for both of them as a
7 subcontractor for Team America.

8 Q. Let me direct your attention now to the spring of
9 2011. In the spring of 2011, were you asked to perform
10 some work at a residence?

11 A. Yes, sir.

12 Q. Explain to the jury what happened.

13 A. I was told to go to the residence and look at the
14 basement and see what it needed, and perform the
15 electrical work.

16 Q. Who directed you to go to the basement -- or to
17 go to the residence?

18 A. Mr. Bertrand.

19 Q. And what did Mr. Bertrand instruct you to do at
20 this residence?

21 A. Just go there and look at it, see what it needs,
22 and just install the electrical work.

23 Q. Did you go to the residence?

24 A. Yes, sir.

25 Q. Whose residence was it?

1 A. Mr. Conrad's.

2 Q. Who was present when you arrived at the
3 residence?

4 A. Some Team America employees were there, and as
5 well, Mr. Conrad, I believe.

6 Q. And you said some Team America employees. What
7 Team America employees did you observe present at the
8 defendant's residence?

9 A. At the time, I knew Charly was there, and
10 Mr. Harris.

11 Q. A man named Charly?

12 A. Yes, sir.

13 Q. And is -- how was Charly related to Team America,
14 if at all?

15 A. I knew him to be a contractor, like -- he was an
16 employee, but he did contracting work, like carpentry.

17 Q. He did carpentry work for Team America?

18 A. Yes.

19 Q. And you said also a Mr. Harris?

20 A. Yes, sir. Delaney Harris.

21 Q. Delaney Harris.

22 When you arrived at the defendant's residence,
23 what happened?

24 A. I walked around the back of the residence into
25 the basement and met with Charly, and we walked the job

1 and kind of told me what they were doing.

2 Q. What conversations, if any, did you have with the
3 defendant?

4 A. He just kind of gave me a rough idea of what he
5 wanted in certain locations, as far as lighting and
6 plugs.

7 Q. What the defendant wanted?

8 A. Yes, sir.

9 Q. In -- after the defendant described what kind of
10 work he wanted done in terms of lighting, et cetera,
11 what, if anything, did you do?

12 A. Um, purchased the material and installed as
13 directed.

14 Q. What kind of work -- describe for the jury what
15 work you did.

16 A. It was electrical work: installing light
17 fixtures, outlets, switches.

18 Q. While you were doing this work at the defendant's
19 residence -- and what portion of the residence was it?
20 Where in the residence?

21 A. The basement.

22 Q. What else did you observe, if anything, being
23 done in the basement while you were there?

24 A. Drywall, bathroom, just interior remodeling.

25 Q. Now, with the assistance of the court security

1 officer, I would ask you to please now take a look at
2 Government Exhibits 23 and 24.

3 Do you have 23 in front of you?

4 A. Yes, sir.

5 Q. If you could turn to the second page of
6 Government Exhibit 23.

7 What is -- what do we see on the second page of
8 Government Exhibit 23?

9 A. It's an invoice I created, made out to Team
10 America Contractors.

11 Q. An invoice related to what work?

12 A. Work done in Mr. Conrad's basement.

13 Q. And, sir, if you could turn now to Government
14 Exhibit 24, and specifically to the second page of
15 Government Exhibit 24.

16 What is -- what do we see in Government
17 Exhibit 24?

18 A. It's also an invoice made out to Team America
19 Contractors for -- for the work done in Mr. Conrad's
20 basement.

21 Q. Now, sir, are these invoices you prepared -- did
22 you prepare these invoices at or near the time that you
23 performed the work?

24 A. Yes, sir.

25 Q. Did you prepare them based on your firsthand

1 knowledge of the work you did?

2 A. Yes, sir.

3 Q. Do the invoices accurate reflect the work you did
4 at the defendant's basement?

5 A. Yes, sir.

6 Q. Was it your regular practice to prepare invoices
7 such as these?

8 A. Yes, sir.

9 Q. And was it your regular practice to keep and
10 maintain records like this in the course of your
11 business?

12 A. Yes, sir.

13 MR. BURKE: Your Honor, the government moves
14 to admit Exhibits 23 and 24.

15 THE COURT: Received.

16 MR. BURKE: If we could publish the second
17 page of Government Exhibit 23, please.

18 Would you blow up the description, please,
19 Ms. Sandvig.

20 BY MR. BURKE:

21 Q. Mr. Powell, could you describe -- or could you
22 read to the jury the description of the work that you
23 performed at the defendant's residence?

24 A. It says, "Work to rough-in basement per
25 description given. Material supplied by others."

1 Q. And then below that?

2 A. Three men at 145 an hour, one tech, two
3 electricians, two days. Two men at 115 an hour, one
4 tech, one electrician, five hours.

5 Q. In that description, when you were referring to
6 work to rough-in basement per description given, who
7 gave you the description about what work to do?

8 A. Mr. Conrad.

9 Q. What's the amount of this invoice?

10 A. 2,895.

11 Q. Sir, were you paid for this work?

12 A. Yes, sir.

13 Q. Who paid you for the work?

14 A. Team America Contractors.

15 Q. Sir, did -- did the defendant pay you for any
16 portion of this invoice?

17 A. No, sir.

18 Q. Turn now to Government Exhibit 24, page two.

19 MR. BURKE: And Ms. Sandvig, if we could
20 publish page two of Government Exhibit 24.

21 BY MR. BURKE:

22 Q. Now, sir, again, what is Government Exhibit 24?

23 A. It's an invoice for the work done in the basement
24 of Mr. Conrad.

25 Q. Could you read the description here that's

1 reflected in your invoice?

2 A. "Necessary work to trim out basement, one man at
3 \$85 an hour, two men at \$115 an hour, installation of
4 outlets, switches, fixtures, breakers, et cetera.
5 Material, recessed lights purchased by electrician from
6 Home Depot for a cheaper price."

7 Q. And in your invoice where you say "recessed
8 lights purchased by electrician," who are you referring
9 to there?

10 A. Myself.

11 Q. So, the lighting, the lighting equipment itself,
12 who purchased that equipment?

13 A. I purchased it.

14 Q. Sir, who paid you for the work reflected in this
15 invoice?

16 A. Team America Contractors.

17 Q. Did the defendant pay you for any portion of this
18 work?

19 A. No, sir.

20 MR. BURKE: If we could publish 21-5, Your
21 Honor. It's been admitted into evidence.

22 THE COURT: Yes.

23 BY MR. BURKE:

24 Q. Do you have 21-5 in front of you, sir?

25 A. Yes, sir.

1 Q. What is 21-5?

2 A. This is a copy of a check made out to my company.

3 Q. From who?

4 A. From Team America Contractors.

5 Q. And how, if at all, does this relate to the
6 invoices we just looked at?

7 A. It's payment for Invoice 23, or -- what is it?
8 Exhibit 23. I'm sorry.

9 MR. BURKE: Nothing further.

10 CROSS-EXAMINATION

11 BY MR. SIMMS:

12 Q. Good afternoon, Mr. Powell.

13 A. Good afternoon.

14 Q. So, this work was completed in the summer of
15 2011?

16 A. Yes, sir.

17 Q. Okay. And you received directions to complete it
18 by Mr. Bertrand?

19 A. Yes, sir.

20 Q. Now, you -- you knew Mr. Conrad prior to going to
21 his house that day, right?

22 A. Yes, sir.

23 Q. Okay. Because you had performed work at The
24 Chicken Place, right?

25 A. Correct.

1 Q. And it's the one on Fair Oaks Mall, right?

2 A. Yes, sir.

3 Q. And that work was performed in early -- well, I
4 guess the beginning of 2009, right?

5 A. I can assume, yes.

6 Q. What type of work did you do there?

7 A. Electrical work.

8 Q. Now, you stated that when you arrived at
9 Mr. Conrad's home, you proceeded to go to the
10 basement -- basement area, right?

11 A. Yes, sir.

12 Q. All right. And you said that there were several
13 Team of (sic) America employees there?

14 A. I believe so, yes, sir.

15 Q. Okay. And at that time -- you also said that
16 Mr. Harris was there, Delaney Harris?

17 A. Yes, sir.

18 Q. Okay. The condition of the basement looked as
19 though it was undergoing a remodeling, correct?

20 A. Correct. It was in the early stages.

21 Q. Okay. So you wouldn't call it a finished,
22 pristine product, would you?

23 A. Not at that time, no.

24 Q. And were you able to see what Mr. Delaney Harris
25 was doing?

1 A. No, sir. I was assuming he was looking at the
2 project like myself, getting a handle on it.

3 Q. Okay. And did you ever see -- did you see
4 Mr. Delaney leave that day?

5 A. I don't recall, sir, but I'm sure he did.

6 Q. Okay. How long did he stay at the residence? Do
7 you recall?

8 A. No, sir. I wasn't sure.

9 Q. Now, after you completed your work -- and it was
10 you and several other individuals doing the electrical
11 work, right?

12 A. Yes, sir.

13 Q. Okay. You left and you squared payment up with
14 Mr. Bertrand, right?

15 A. Yes, sir.

16 Q. Do you know Mr. Bertrand's business partner?

17 A. Yes, sir.

18 Q. Mr. Bedford?

19 A. Yes, sir.

20 Q. Okay. He didn't have any communication with you
21 in regard to this basement, did he?

22 A. No, sir. No direction.

23 Q. Okay. And you saw Mr. Conrad again after the
24 basement project, didn't you?

25 A. Yes, sir, I'm sure I did.

1 Q. And that would have been in 2012, when he and
2 Mr. Bedford were looking at restaurant space, right?

3 A. Yes, sir.

4 Q. Okay. And you knew about Mr. Conrad being a
5 consultant to Bertrand and Bedford for the restaurant
6 business, right?

7 MR. BURKE: Objection, speculation and
8 irrelevant.

9 MR. SIMMS: Your Honor, I'm asking him if he
10 knew.

11 THE COURT: Sustained.

12 THE WITNESS: Yes, sir.

13 THE COURT: The jurors will disregard that
14 response.

15 In other words, when I said "sustained,"
16 that means you should not have answered. But that's
17 okay.

18 BY MR. SIMMS:

19 Q. Did you know about Mr. Conrad doing any work with
20 Mr. Bedford and Bertrand in 2012?

21 MR. BURKE: Objection, foundation.

22 THE COURT: Sustained.

23 BY MR. SIMMS:

24 Q. Did you visit a restaurant location with
25 Mr. Bedford and Mr. Conrad in 2012?

1 A. I believe so, yes.

2 Q. Okay. And what was your understanding, if you
3 know, why were they there to look at that restaurant?

4 MR. BURKE: Objection.

5 THE COURT: Objection sustained.

6 MR. SIMMS: Your Honor, may we approach,
7 briefly?

8 THE COURT: Sure.

9 (Thereupon, the following sidebar conference
10 was had:)

11 THE COURT: Yes.

12 MR. SIMMS: Your Honor, defense's
13 contention, which is also supported by statements that
14 have been made by Mr. Conrad and Mr. Bedford, that a
15 part of his repayment was for him to be a consultant to
16 Mr. Bedford and Mr. Bertrand in regards to their opening
17 of the restaurant.

18 So, I would submit that him being present
19 while they're scoping out restaurant locations and
20 him -- Mr. Conrad being there is highly relevant to his
21 defense in this case.

22 MR. BURKE: Your Honor, that was not the
23 question that was asked. He's already testified he was
24 present.

25 But the next question was, why?

1 So that gets into asking the witness to
2 speculate about what was in the mind of the other people
3 there and what they were doing there, which is improper.

4 MR. SIMMS: Well, I can -- I can ask him why
5 he was there, and what -- why would they want him there.

6 MR. BURKE: Well, why he was --

7 MR. SIMMS: Because --

8 THE COURT: Hold on a second.

9 MR. SIMMS: Because if -- if I just say,
10 "Were you there in the restaurant," I mean, that's like
11 saying he could have been there to eat.

12 THE COURT: Well, I can't tell you what to
13 ask, but you can't ask him what other people understood
14 about why he was there.

15 MR. SIMMS: Uh-huh. Okay.

16 THE COURT: You understand my question --
17 what I'm trying -- I can't really tell you what to say,
18 but you can't ask him --

19 MR. SIMMS: What other people --

20 THE COURT: -- what other people understood
21 about why he was there.

22 MR. SIMMS: Okay.

23 THE COURT: I get that he's a contractor,
24 but --

25 MR. SIMMS: Uh-huh.

1 THE COURT: -- you could ask him about his
2 personal knowledge about --

3 MR. SIMMS: Why he was -- okay.

4 THE COURT: Well, not understanding, but --

5 MR. SIMMS: "Why were you..."

6 MR. BURKE: Your Honor, our position is, his
7 reason for being there is irrelevant as well. He is not
8 alleged to be a part of any of this conspiracy. So, his
9 thinking really doesn't go to any fact that's at issue.

10 THE COURT: Well, it's not his thinking.
11 It's his actions. So, why he was there, meaning did he
12 just decide to show up there or did somebody ask him to
13 come there?

14 But, in terms of what was said by Mr. Conrad
15 or anyone else, that would not be admissible, would it?

16 I think Mr. Conrad's statements would be
17 hearsay.

18 MR. SIMMS: Correct. Correct.

19 THE COURT: Okay.

20 (Thereupon, the sidebar conference was
21 concluded.)

22 BY MR. SIMMS:

23 Q. Mr. Powell, I'm going to repeat -- or rephrase my
24 last question.

25 Why were you there with Mr. Bedford and

1 Mr. Conrad at that restaurant location?

2 MR. BURKE: Objection, irrelevant.

3 THE COURT: Overruled.

4 Not "why."

5 Who asked you to be there?

6 THE WITNESS: Mr. Bedford had asked me to
7 come by.

8 MR. SIMMS: Your Honor, I would argue that
9 why he was there would be relevant.

10 THE COURT: Only if it's something that --
11 the "why" doesn't -- we could -- it's obvious who he is
12 and what he does. I'm not sure the why is relevant.
13 The why would call for hearsay. So I sustain the
14 objection.

15 MR. SIMMS: Your Honor, I would submit that
16 there's another reason in terms of -- people have side
17 ambitions and goals --

18 THE COURT: You know, we just talked about
19 this at sidebar.

20 If you have another question to ask about
21 what he did there, that's different; but not what he
22 thought about what somebody else thought.

23 I sustain the objection to those questions.

24 MR. SIMMS: Okay.

25 BY MR. SIMMS:

1 Q. Did you have an interest in going into the
2 restaurant business with Mr. Conrad and Mr. Bedford?

3 A. Yes, sir.

4 Q. Okay. And would that have been in the 2012
5 timeframe?

6 A. Yes, sir.

7 Q. How many different restaurant locations did you,
8 Mr. Conrad and Mr. Bedford go to?

9 A. One.

10 Q. And where was that located at?

11 A. It was facility in Old Town, Manassas.

12 Q. Where?

13 A. Old Town, Manassas.

14 Q. Old Town, Manassas?

15 A. Yes, sir.

16 Q. And what type of restaurant was it going to be?

17 MR. BURKE: Objection, relevance.

18 THE COURT: Sustained.

19 MR. SIMMS: No further questions.

20 REDIRECT EXAMINATION

21 BY MR. BURKE:

22 Q. Sir, did you ever open a restaurant business?

23 A. No, sir.

24 Q. And this one trip, what year was that?

25 A. I believe 2012.

1 MR. BURKE: Nothing further.

2 May the witness be excused, Your Honor?

3 THE COURT: All right. You're free to
4 leave, sir. Thank you very much. Thank you for coming.

5 MR. BURKE: We have a short witness. Can we
6 try to get him on?

7 THE COURT: Sure.

8 Short in stature or short in time?

9 (Laughter.)

10 MR. BURKE: Short in time.

11 THE COURT: All right. Bring him in. Okay.

12 MR. BURKE: The government calls Charles
13 Boyd.

14 MR. HENDRICK: Face the clerk. Please raise
15 your right hand.

16 (Witness sworn.)

17 THE WITNESS: I do.

18 THE CLERK: Thank you.

19 Have a seat, please.

20 THEREUPON, CHARLES A. BOYD, having been duly
21 sworn, testified as follows:

22 DIRECT EXAMINATION

23 BY MR. BURKE:

24 Q. Good afternoon, sir.

25 What is your name?

1 A. Charles Alexander Boyd.

2 Q. And how do you spell that, sir?

3 A. The whole thing?

4 Q. Why don't you spell your last name, sir.

5 A. Okay. B-o-y-d.

6 Q. Mr. Boyd, what do you do for a living?

7 A. Plumbing and AC contractor.

8 Q. Do you have a business?

9 A. Yes. It's Boyd Plumbing, Heating and
10 Air-condition.

11 Q. And who is the owner of that business?

12 A. I am.

13 Q. Are you the sole owner?

14 A. My wife has ten percent.

15 Q. You own the rest?

16 A. Yes, sir.

17 Q. Mr. Boyd, are you familiar with a man named Glen
18 Bertrand, Senior?

19 A. Yes.

20 Q. How do you know Mr. Bertrand?

21 A. I've known Glen about 20 years. Did some work
22 for him at his property on, I think it's Airport Road.
23 Put in a septic system -- I mean not a septic system, a
24 pump system. And I've done other work for him on
25 buildings and different things that he needed work done.

1 Q. For him personally or for his company?

2 A. For his company.

3 Q. What's the name of his company?

4 A. Um --

5 Q. At the time that you did the work.

6 A. At the time it was Team America.

7 Q. Are you familiar with who Mr. Bertrand's business
8 partner was at that time?

9 A. Yes. I can't remember his name right now. Um --
10 it will come to me.

11 I can't -- I'm sorry. It's escaping me right
12 now.

13 Q. He had a business partner?

14 A. Yes.

15 Q. Could you describe the man, even if you can't
16 remember his name?

17 A. A black man -- I'm sorry, I can't remember it.

18 Q. If you heard the name, would you remember it?

19 A. Yes. Yes.

20 Q. Does the name James Bedford ring a bell?

21 A. Yes, Bedford. That's it. I called him Bedford,
22 yes. Sorry.

23 Q. What kinds of work have you done for Team
24 America?

25 A. I've done contracting work. And then

1 subsequently I actually was employed by Team America.

2 Q. Now, let me ask you to focus on the spring of
3 2011.

4 A. Okay.

5 Q. In the spring of 2011, were you asked to perform
6 some work at a residence?

7 A. Yes.

8 Q. Explain to the jury what happened.

9 A. I was called to do some work at Raushi Conrad's
10 home, and --

11 Q. Let me interrupt for just a moment.

12 You said you were called. Who called you and
13 asked you to do that work?

14 A. I don't know who called me. They just said, was
15 I interested in doing some work. I don't even remember
16 if Mr. Conrad called or Mr. Bertrand asked me to contact
17 him. I'm not sure what -- you know, how it transpired.

18 Q. Was it definitely one of those two people?

19 A. Yes.

20 Q. Do you see Mr. Conrad in the courtroom?

21 A. Yes.

22 Q. Could you describe what he's wearing?

23 A. He's -- (indicating) -- white shirt and tie.

24 MR. BURKE: Your Honor, may the record
25 reflect the witness has identified the defendant?

1 THE COURT: The witness has identified
2 Mr. Conrad.

3 BY MR. BURKE:

4 Q. Mr. Boyd, did you, in fact, go to the defendant's
5 residence?

6 A. Yes.

7 Q. And when you arrived at the residence, who was
8 present?

9 A. I think it was just Mr. Conrad explained to me
10 what he wanted done in his house.

11 Q. And what kind of work did the defendant ask you
12 to do?

13 A. I did change the rough-in for the plumbing and
14 did rough-in, and eventually did rough-in in walls, and
15 extended the ductwork out for a soffit that was -- the
16 ductwork was already installed. I just extended the
17 registers.

18 Q. After you performed the plumbing and other
19 rough-in work, did you prepare an invoice describing
20 what you did?

21 A. Yes, I did.

22 Q. With the assistance of the court security
23 officer, could you look at Exhibit 9, please.

24 Sir, do you have Government Exhibit 9 in front of
25 you?

1 A. Yes.

2 Q. What is Government Exhibit 9?

3 A. It's an invoice from -- to Team America
4 Contracting from my company, Boyd Plumbing, Heating and
5 Air-conditioning.

6 Q. And in relation to what work?

7 A. For the work done at Mr. Conrad's home.

8 Q. Who prepared this invoice?

9 A. Myself and my wife.

10 Q. Was it prepared near in time to when the work was
11 done?

12 A. Yes.

13 Q. Was it based on your firsthand knowledge of the
14 work that was actually done?

15 A. Yes.

16 Q. Does it accurately reflect the work you did?

17 A. Yes.

18 Q. Was it your regular practice to prepare invoices
19 such as this?

20 A. Yes.

21 Q. And are invoices such as Government Exhibit 9
22 kept in the course of your regularly conducted business
23 activity?

24 A. Kept by us?

25 Q. Yes.

1 A. Yes.

2 MR. BURKE: Your Honor, the government moves
3 to admit and to publish Government Exhibit 9.

4 THE COURT: Received.

5 MR. BURKE: Now, if I could ask Ms. Sandvig
6 to blow up the first line of the description, where it
7 says, "Job Name."

8 BY MR. BURKE:

9 Q. Sir, where it says, "Job Name," what's written
10 there in the description?

11 A. "Raushi's residence, install water piping for
12 bathroom and install bath vent."

13 Q. And when you referenced Raushi's residence, who
14 are you talking about?

15 A. Mr. Conrad Raushi -- or Raushi Conrad.

16 Q. The gentleman sitting to my right?

17 A. Yes. Yes.

18 Q. And then --

19 THE COURT: Do you have more than one
20 question?

21 (No response.)

22 THE COURT: Do you have more than one
23 question?

24 MR. BURKE: I do, Your Honor.

25 THE COURT: All right.

1 Ladies and gentlemen, we're going to recess
2 for the evening.

3 Please don't discuss the case. Don't permit
4 the case to be discussed in your presence. Don't do any
5 research on the case. And leave your notes in the jury
6 deliberation room.

7 We will resume tomorrow at 10:00 o'clock.
8 Thank you.

9 (Jury not present.)

10 THE COURT: We're in recess.

11 (Proceedings concluded at 5:02 p.m.)

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2 CERTIFICATE OF REPORTER

3
4 I, Renecia Wilson, an official court
5 reporter for the United States District Court of
6 Virginia, Alexandria Division, do hereby certify that I
7 reported by machine shorthand, in my official capacity,
8 the proceedings had upon the jury trial in the case of
9 UNITED STATES OF AMERICA v RAUSHI J. CONRAD.

10 I further certify that I was authorized and
11 did report by stenotype the proceedings in said jury
12 trial, and that the foregoing pages, numbered 1 to 259,
13 inclusive, constitute the official transcript of said
14 proceedings as taken from my shorthand notes.

15
16 IN WITNESS WHEREOF, I have hereto
17 subscribed my name this 12th day of January, 2018.

18
19 /s/

20 _____
Renecia Wilson, RMR, CRR
Official Court Reporter
21
22
23
24
25